



Daily Report

China

FBIS-CHI-90-078
Monday
23 April 1990

Daily Report

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FBIS-CHI-90-078

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23 April 1990

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

14th Conference on Law of the World Begins

Backgrounder Previews Meeting

OW2104180590 Beijing XINHUA in English
1127 GMT 21 Apr 90

["Backgrounder: Conference on Law of the World"—XINHUA headline]

[Text] Beijing, April 21 (XINHUA)—The 14th Conference on the Law of the World is to open next Monday in the Great Hall of the People in Beijing under the auspices of the World Peace Through Law Center.

The center was established in Athens in 1963 and is headquartered in Washington, the United States. Its supreme organ is the Executive Committee, now with Charles Rhyne as its president.

As an international, non-governmental, legal organization that pools the strength of judges, lawyers, law professors and others world-wide in effective cooperation for the purpose of preserving world peace, the center has the mandate of seeking to strengthen and expand international rule of law and banish the use of force in international relations so as to maintain world peace.

The main activities and functions of the center include facilitating the establishment of a just and peaceful international order; providing a clearing house and information center for the judicial circles and legal profession of different countries; nominating and helping students, scholars, legal workers and leaders in the field of law to engage in exchanges while sponsoring a conference on the law of the world every two years.

The center now has members from 151 countries and regions, among whom are many chief justices and attorneys, senior officials of diplomatic and judicial circles, renowned lawyers and law professors.

In recent years, the cooperation between the center and legal professions in China has been developing markedly and China has been playing an increasingly important role in the activities of the center.

China began its contact with the center at the Ninth Conference on the Law of the World in 1979, and in 1985 the Chinese delegation headed by Ren Jianxin, then vice-president of China's Supreme People's Court, attended the 12th conference in West Berlin, at which he was elected member of the Executive Committee of the center and chairman of its Asian group. At the same conference, Zheng Tianxiang, then president of China's Supreme People's Court, was awarded the World Justice Award, the highest award of the center. The 13th conference held in Seoul in 1987 officially decided to hold the 14th conference in Beijing.

Preparations Complete

OW2104180690 Beijing XINHUA in English
1346 GMT 21 Apr 90

[Text] Beijing, April 21 (XINHUA)—Preparations have been completed for the 14th Conference on the Law of the World set to begin in Beijing on Monday, according to an organizing committee official.

More than 1,400 delegates from 65 countries and regions are expected to attend the meeting. Most had already arrived in the capital by this afternoon.

Among the delegates are Charles S. Rhyne, president of the World Peace Through Law Center, Jose Maria Ruda, president of the International Court of Justice, and more than 20 president of supreme courts, chief justices and distinguished guests from international organizations.

Delegates from a few countries that do not have diplomatic relations with China will also be attending the conference. Many delegates from Taiwan will be present.

Most of the conference's activities will be held in the Great Hall of the People. Chinese President Yang Shangkun will deliver a speech at the opening ceremony on Monday morning.

An "International Law Day" celebration will be conducted on Sunday in Zhongshan Park adjacent to the Great Hall of the People.

Panel discussions on 21 topics, including "Peace and Development Through Law," "The New International Economic Order," "Trade and Investments" and "Energy Law," will also be held during the conference.

A simulated trial with a moot court formed of the chief justices of several countries and judges from the International Court of Justice will hear a case on "a request to have cultural relics returned to their original countries."

A "Beijing Declaration" will be issued to reflect the outcome of discussions held at the conference.

The conference, the largest held in China in recent years, has attracted over 120 Chinese and foreign reporters.

Ren Jianxin Meets Singapore Justice

OW2104165190 Beijing XINHUA in English
1158 GMT 21 Apr 90

[Text] Beijing, April 21 (XINHUA)—Ren Jianxin, president of China's Supreme People's Court, met in the Great Hall of the People here this evening with Wee Chong Jin, honorable chief justice of Singapore, and his wife and hosted a dinner in their honor.

Wee Chong Jin is here to attend the 14th Session of the Law of the World Conference scheduled to open April 23.

Wang Hanbin Meets World Court President*OW2104165290 Beijing XINHUA in English
1203 GMT 21 Apr 90*

[Text] Beijing, April 21 (XINHUA)—Wang Hanbin, vice-chairman of the Standing Committee of the National People's Congress [NPC], met in the Great Hall of the People here this afternoon with Jose Maria Ruda, president of the International Court of Justice [ICJ], and his wife.

Ruda was here as guest of the Chinese People's Institute of Foreign Affairs. In his stay here, he will attend the 14th Session of the Law of the World Conference scheduled to open next week.

Liu Fuzhi Meets Indian Counterpart*OW2204184390 Beijing XINHUA in English
1335 GMT 22 Apr 90*

[Text] Beijing, April 22 (XINHUA)—Chinese chief procurator of the Supreme People's Procuratorate, Liu Fuzhi, met with and gave a dinner for Indian attorney general, S.J. Sorabjee, and his party here this evening.

The Indian guests arrived in Beijing last Saturday to take part in the 14th Beijing Conference on the Law of the World and pay an official visit to China.

Ruda Speaks*OW2204183690 Beijing XINHUA in English
1425 GMT 22 Apr 90*

[Text] Beijing, April 22 (XINHUA)—Peace must be made to prevail by means of comprehension and must arise from the heart and the spirit of man.

This was an idea expressed by the president of the International Court of Justice, Jose Maria Ruda, at a rally of the "World Law Day" held this evening in downtown Beijing today.

"Peace cannot aim merely at survival and cannot be maintained exclusively by means of the balance of terror," said Ruda, who has been president of the International Court of Justice for the past 17 years. "Peace should be considered from a positive angle and not as a circumstantial state of affairs, as a mere interlude between wars," he added.

The president noted that "we began to see signs of an improvement in the international situation, and it's time for people to redefine the attitude to peace."

The president quoted Albert Einstein as saying that "peace cannot be maintained through force." Ruda said that peace must be the fruit of solidarity with other human beings and comprehension of the ideas and the feelings of our fellows.

At the end of his speech, the president said that "we renounce all power politics, whether military or economic, all forms of imperialism, whether military or economic, and all discriminations."

Cai Cheng Addresses Gathering*OW2204181490 Beijing XINHUA in English
1353 GMT 22 Apr 90*

[Text] Beijing, April 22 (XINHUA)—More than 1,500 leading figures of law from over 60 countries and regions gathered here this evening to celebrate the World Law Day in Zhongshan Park in downtown Beijing.

The celebration, sponsored by the Washington-based World Peace Through Law Center, was to call public attention to the law and stress the moral value and concepts which are embodied in the principles of the rule of law.

The gathering was presided over by the center's president Charles S. Rhyne.

It is learned that similar celebrations were organized today all over the world, with the ceremony in Beijing being the summit or chief program of the World Law Day.

Speaking at the gathering, Chinese Minister of Justice Cai Cheng said that peace and development are the common wish of the people from all over the world and an irreversible trend in the historical development of the world.

When the international situation is more turbulent and unstable, the minister said, serving the world peace and development through law is a major world-concerned issue and the historical mission of legal workers the world over.

Also addressing the gathering, Jose M. Ruda, president of the International Court of Justice, said that peace should be considered from a positive angle and not as a circumstantial state of affairs.

He called on the world to renounce all power politics and all forms of imperialism, whether military or economic, as well as all discriminations.

Following the celebration, Mayor of Beijing Chen Xitong gave a reception in the park for all the participants to the Beijing conference on the law of the world, which is set to begin tomorrow morning.

Further on Cai Remarks*OW2204181690 Beijing XINHUA in English
1419 GMT 22 Apr 90*

[Text] Beijing, April 22 (XINHUA)—Great achievements have been made in the legal construction in China, especially in the past decade, Cai Cheng, Chinese minister of justice, said at a rally to mark the "World Law Day" here this evening.

The Chinese minister noted that a preliminary [as received] legal system with the Constitution as the core has been formed. Meanwhile, the reliance on the law has been realized in the basic aspects of the political, economic and social life of the state and a set of relatively perfect law enforcement agencies mutually coordinated and checked have been established.

Cai said that China attaches great importance to achieving stability and unity of the country, universal equality in society, steady development of the national economy and common prosperity of the people through law.

China's Constitution and other laws were formulated by the people through their own deputies to the National People's Congress. Through the national and local people's congresses, the people exercise their rights to run the country, said the minister.

It is learned that in the last three years, as many as 600,000 people have been added to the country's judicial departments, while the government has cut a large number of its employees.

In order to accelerate its economic development, China has carried out the reform of its economic structure and opening to the outside world, which has been gradually brought into the orbit of legal system.

Cai said that China has laid great emphasis on economic legislation concerning foreign businesses.

To date, a total of 130 laws and regulations, including those on Chinese-foreign joint ventures, enterprises solely funded by foreign investors and economic contracts involving foreigners, have been formulated.

Cai also said that the legal environment for foreign investment in China has been improved and the legitimate economic interests of foreign businessmen have been guaranteed.

A total of 21,000 Sino-foreign joint ventures, solely foreign funded enterprises and cooperative businesses have been established in China.

The minister stressed that in order to make the provisions of the Constitution and laws known by all, China has carried out many activities aimed at popularizing the law since 1984, and these activities have helped more and more people understand the law, observe the law and how to protect themselves by the law.

Cai said that "these activities have played a great role in the building of democracy and the legal system in China and have resulted in far-reaching impact."

Conference Opens

OW2304065590 Beijing XINHUA in English
0620 GMT 23 Apr 90

[Text] Beijing, April 23 (XINHUA)—The 14th Conference on the Law of the World opened today in the Great

Hall of the People in downtown Beijing, with Chinese President Yang Shangkun and more than 1,500 noted law figures from 65 countries and regions attending.

Yang, on behalf of the Chinese Government and people, extended a sincere congratulation to the conference and warm welcome to all the participants.

Addressing the conference, the Chinese president said that it is the demand of the times and the aspiration of the world people that law should serve peace and development, that peace put and an end to war, and development eliminate poverty.

The maintenance of a peaceful and stable international environment is the prerequisite for the economic development, social progress and the friendly cooperation among all the countries of the world, he went on.

Many developing countries are perturbed by starvation, poverty, unemployment, worsening debt burden and environmental deterioration, the president said.

The developed countries bear a special responsibility in transforming the irrational international economic relations, removing the difficulties and meeting the special needs of the developing countries, Yang said.

Ren Jianxin, chairman of the China Organizing Committee of the conference and president of the Supreme People's Court of China, said at the conference that in taking part in international legislative activities China has always done its utmost to safeguard world peace and enhance friendly relations and cooperation among the various countries.

In accordance with the creative concept of "one country, two systems" and through consultation on an equal footing, China has reached agreements with Britain and Portugal respectively on solving the questions of Hong Kong and Macao and signed joint declarations, thus providing fresh and valuable experience for peaceful settlement of international disputes, he said.

The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China recently deliberated and adopted by China's National People's Congress will also have a far-reaching impact on the world, Ren went on.

To build a world of peace, friendship and prosperity is the common desire of all mankind, Ren said. Although the present state of affairs in the world scene is not satisfactory and there will be difficulties and twists and turns on our road of advance, the process of peace and development will not come to a halt, he said, adding that "we have full confidence for this."

Charles S. Rhyne, president of World Peace Through Law Center based in Washington, said at the opening ceremony that "no one can successfully refute the statement that we meet at the most unpredicted, unpredictable, challenging and opportunistic time in world history and in the history of the rule of law."

Rhyn said that "if we continue to work together and take full advantage of the ever growing cooperative opportunities, the rule of law will grow ever stronger and stronger."

The conference is co-sponsored by China and the World Peace Through Law Center. Rhyn hoped that participants to the conference would strive to agree upon resolutions and the wording of a "declaration of Beijing" and make the conference "not only the most timely but one of the greatest law conference ever held."

Prior to the opening ceremony, President Yang Shangkun met with President Charles Rhyn and President of the International Court of Justice Jose Maria Ruda.

Also present at the ceremony are Qiao Shi, member of the Standing Committee of the Political Bureau of the Chinese Communist Party's Central Committee, Vice-Premier Wu Xueqian and Vice-Chairmen of the Standing Committee of the National People's Congress Xi Zhongxun and Wang Hanbin.

Yang Shangkun Speaks

*OW2304060890 Beijing XINHUA in English
0558 GMT 23 Apr 90*

[Text] Beijing, April 23 (XINHUA)—Chinese President Yang Shangkun said here today that law should contribute to world peace and development.

Speaking at the opening ceremony of the 14th Session of the Conference on Law of the World, the Chinese president said that it is the demand of the times and the aspiration of the people throughout the world that "law should serve peace and development, that peace put an end to war, and that development eliminate poverty."

In his 1,000-word address, Yang Shangkun pointed out that international law should play a major role in creating a peaceful and excellent new world.

Yang Shangkun, on behalf of the Chinese Government and people, extended his sincere congratulations to the opening of the conference and offered warm welcome to the 1,500 distinguished guests and jurists present.

The participants came from 65 countries and regions all over the world.

President Yang Shangkun said that the international community of today is composed of many sovereign states with different social systems, ideologies and cultural traditions.

"In this context, continued growth of friendly relations between countries requires not only correct decisions by statesmen, but also active participation of jurists", he said.

Yang said that interstate exchanges should be based on the basic norms governing international relations and the widely-accepted principles of international law.

So long as the five principles of peaceful co-existence are followed, all countries will live in amity and a new international order of both economy and politics that accords with the fundamental interests of all countries will be established, he said.

The Chinese president said that maintaining world peace is the common goal that people of all countries are striving for. The international situation, he said, is presently undergoing tremendous changes and the world is still in turbulence.

"To oppose hegemonism and safeguard world peace remains the major issue of primary importance facing the people of the world," Yang Shangkun stressed.

The president was optimistic about the prospect of world peace, saying that a relatively long period of peace can be achieved, with the concerted efforts of people all over the world.

The question of development is also one of the world's issues of great historical significance, Yang Shangkun pointed out.

He said that in today's world when countries are becoming increasingly interdependent, any solution for the question of world development calls for the concerted efforts of every country.

"It is the basis for the common development and prosperity to transform the irrational international economic relations, satisfy the special needs of the developing countries, and help remove the practical difficulties and meet the special needs of the developing countries. This is the basis for common development and prosperity. "In this regard, the developed countries bear a special responsibility."

Yang reiterated that China will continue to pursue an independent foreign policy of peace. It stands ready to develop friendly relations and cooperation with all the other countries on the basis of the five principles of peaceful coexistence, thereby making positive contributions to world peace and development.

The Chinese president expressed the conviction that the five-day conference will contribute to promoting the development and popularization of the international law, enhancing contacts among jurist circles of different countries as well as understanding among peoples, and strengthening international exchanges and cooperation.

Ren Jianxin Speaks

*OW2304063790 Beijing XINHUA in English
0604 GMT 23 Apr 90*

[Text] Beijing, April 23 (XINHUA)—Ren Jianxin, chairman of the China Organizing Committee, said here today at the opening session of the 14th Beijing Conference on Law of the World that the theme of the conference, "Law for World Peace and Development", gives expression to the need of the times.

He said that the theme of the conference also accords with the common desire of the world's people and constitutes an important task before the legal professionals.

In his speech, Ren, who is also president of the Supreme People's Court of China, expressed warm welcome to legal professionals from other countries attending the conference on behalf of the China Organizing Committee and the Chinese legal professionals.

He said that at present the world situation is becoming more turbulent and the people's desire for peace and development is more fervent.

He pointed out that given strict observance of the five principles of peaceful coexistence by all world countries, it is possible to have stability in international situation, maintain world peace, develop friendly cooperation among countries in a healthy way, and establish a new international political order.

Peace and development are interrelated, Ren Jianxin said, adding that a peaceful international environment is essential for the development of all countries, and their development and prosperity will, in turn, further promote the stability and peace of the world.

Ren Jianxin said the developing countries have long suffered from the irrational international economic order. The trend of the poor becoming poorer and the rich richer is getting more and more serious compared with ten years ago, which if left unrestrained, will lead to serious consequences on world politics and economy, he noted.

He said the realities have shown that the old international economic order should no longer be kept intact and that the establishment of a new international economic order has become the practical need of world development.

China is a force working for world peace and development, Ren said. In accordance with the creative concept of "one country, two systems" and through consultation on an equal footing, China reached agreement and signed joint declarations with Britain and Portugal respectively on solving the questions of Hong Kong and Macao, thus providing fresh and valuable experience for peaceful settlement of international disputes.

He said that over the years, significant headway has been made in building China's legal system and a judicial system based on the constitution has basically come into being.

In opening to the rest of the world, he said, China endeavors to expand international economic cooperation on the basis of equality and mutual benefit, improve China's economic legal system as so to guarantee the lawful rights and interests of the foreign cooperators and promote common progress and prosperity.

He asked all friends from the legal profession attending this conference to have an in-depth discussion of and exchange views on major legal issues of common concern to the world's people today and put forward constructive suggestions by drawing on their wisdom and experience, so that the conference will contribute to world peace and development.

'Tough Actions' Against Terrorism Viewed

OW2304130890 Beijing XINHUA in English
1228 GMT 23 Apr 90

[Text] Beijing, April 23 (XINHUA)—China is absolutely opposed to terrorism and has taken tough actions to prevent international terrorists from inciting terrorist incidents in China or making China a base for terrorist activities, a senior Chinese policeman said here today.

Speaking at a panel discussion on anti-terrorism at the ongoing Beijing conference on law of the world, Liu Wen, director of the Criminal Investigation Department (CID) of the Ministry of Public Security, said that China attaches great importance to the fight against terrorism.

Over 200 Chinese and foreign delegates participated in the panel discussion held this afternoon in the Great Hall of the People.

Liu Wen, also head of Interpol-China, said that China has made unremitting efforts in the fight against international terrorism.

Up to now, he said, international terrorist activities have not made serious inroads into China, due to the fact that the Chinese Government pursues a policy of resolutely fighting against terrorism and takes strict preventive measures.

The veteran policeman said that China has adopted every measure in current international practice to prevent aircraft from being hijacked and to ensure the safety of air transportation, with airports equipped with x-ray checking devices and well-trained personnel on duty.

According to Liu Wen, a special anti-terrorism department has been set up in China responsible for investigating and studying international terrorism, strengthening exchanges of information and co-operation, collecting information concerning terrorist activities by international terrorist groups and dealing with such activities with preventive measures.

He disclosed that China has set up a special division to combat international terrorism, under the Ministry of Public Security.

The Chinese Government has actively taken part in anti-terrorism discussions and given constructive views on combating terrorism in relevant international organizations and meetings, he said.

China joined Interpol in 1984.

Beijing Celebrates 20th Earth Day

Li Peng Speaks

OW2104172290 Beijing XINHUA Domestic Service
in Chinese 1143 GMT 21 Apr 90

[Full text of 21 April speech by Premier Li Peng to mark the 20th anniversary of Earth Day]

[Text] Beijing, 21 Apr (XINHUA)— Ladies, gentlemen, friends, and Comrades:

In commemoration of the 20th anniversary of "Earth Day," I would like to offer some views on the environmental question, a issue of public concern.

The earth is the basis for human survival and development. It provides favorable space and abundant natural resources for the civilization and the progress of human society. Unfortunately, some human activities have damaged the earth to a great extent, and environmental pollution and ecological breakdowns are endangering the survival and security of mankind.

The "Earth Day" campaign, initiated 22 April, 1970, to alert the public to this problem, is the first large-scale mass campaign for environmental protection in human history. Its birth and influence have given a powerful impetus to the vigorous development of the cause of environmental-protection. Today, after 20 years have elapsed, we are still faced with the challenge of environmental problems and need worldwide cooperation and common efforts to remove obstacles to the solution of these problems. The earth belongs not only to the people of our era, but also to our future generations. We all hope to create a peaceful, clean living and working environment for our future generations. Our ability to manage the earth today will determine our common future, while the basis for concerted efforts derives from the common understanding of all governments and peoples. I hope that the "Earth Day" campaign will bring everyone closer to a common understanding.

The Chinese Government pays great attention to the work of environmental protection and regards it as one of the basic state policies. It has formulated a policy for coordinated environmental, economic, and social development; promulgated and put into effect a series of environmental-protection laws and measures; and made unremitting efforts to improve the environment. China, which is a developing country with a population of 1.1-billion people but limited economic strength, still has much arduous work to do in solving its own environmental problems. However, we believe that as long as we adhere to the principle of sustained, stable, and coordinated development and take all possible measures within our capability, China's environmental pollution will be gradually brought under control and its ecological environment will be further improved as a result of its ceaseless efforts. This, too, will be a contribution to improving the earth environment.

The Chinese Government takes a positive attitude toward international efforts to protect the environment, and is willing to join efforts with others in finding effective ways to solve global environmental problems through wide-ranging international cooperation. As always, China will unswervingly carry out its due commitment and, at the same time, hope to get help from the international community in order to strengthen its ability to solve these problems. Protecting the earth environment and stopping ecological deterioration is a bounden duty of the governments of all countries. Each and every resident on earth should contribute to improving the earth's environment!

Thank you.

Roundup Discusses Celebration

OW2204180090 Beijing XINHUA in English
0648 GMT 22 Apr 90

[Text] Beijing, April 22 (XINHUA) - Climbers from China, the United States and the Soviet Union forming a joint expedition to mark the 20th anniversary of world "Earth Day" were making their final assault on Mount Qomolangma as 1,000 scientists, environment activists, government officials, and school children got together in Beijing today to open an exhibition on the same theme.

The climbers will try to clean up debris left by previous expeditions and appeal over the air to leaders of the three countries for peace and environmental protection.

In Nanjing, meanwhile, Professor Ren Mei'e, a leading Chinese geographer of Nanjing University, with the support of the provincial government, has organized Earth Day in Jiangsu Province through lectures, newspapers, and radio broadcasts to the province's 65 million people.

This year's Earth Day, the first one in China, has been characterized by the active participation of both the government and ordinary people.

China's Premier Li Peng gave a televised speech on the eve of the Earth Day, outlining China's stand and measures on environmental protection. "The earth belongs not only to us, but also to future generations. Today our ability to manage the earth will determine our common future and the basis for common effort derives from understanding among all governments and all people," Li said.

Over the past week, three gala evenings celebrating Earth Day and featuring a number of international popular singers and artists, sponsored by the National Agency of Environment Protection, attracted tens of thousands of people. And an Earth Day concert will be televised nationwide late tonight.

China's major newspapers have also given prominent coverage to the subject today. PEOPLE'S DAILY, for example, devoted a special page to ecology and environment today.

"China, like many other countries, is facing serious environmental and ecological challenges. And the economic losses caused by air pollution, water pollution, pollution of solid waste is alarming," PEOPLE'S DAILY warned in its commentary marking Earth Day.

The first Earth Day was observed in 1970 in the United States. But it is not until this year that the affair has gone truly international. More than 134 countries are organizing similar activities to celebrate the 20th anniversary of earth day around the world, according to Dr. H.L. Teller, UNESCO's representative in China.

The one-month exhibition at the Beijing Museum of Natural History, sponsored by the National Committee for UNESCO's Man and the Biosphere Program (MAP), is focusing on Earth Day goals, global environmental problems, related organizations around the world and nature reserves in China.

In recent years, there has been an ever-increasing awareness among Chinese scientists, government officials, and the public of China's environmental problems such as shrinking forests, expansion of deserts, ocean pollution, greenhouse effects, toxic wastes and acid rain.

Professor Zhou Guangzhao, president of the Chinese Academy of Sciences, said at the exhibition's opening ceremony, "as a developing country with a huge and under-educated population, the pressure of resources and environment have an even greater impact on China."

China will pay great attention to the protection of environment while developing our economy, said Qu Geping, director of the National Agency of Environment Protection.

"Earth Day marks the beginning of decade of environment," said Song Jian, state councilor and minister of the State Commission of Science and Technology. "I believe that the common future of mankind will be beautiful as long as we pool our efforts in solving environmental, resources, and ecological problems."

Song Jian Attends Exhibition

OW2204172190 Beijing XINHUA in English
0634 GMT 22 Apr 90

[Text] Beijing, April 22 (XINHUA)—An "Earth Day" exhibition opened here this morning at the Beijing Museum of Natural History to mark the 20th anniversary of the world "Earth Day".

Co-sponsored by the Chinese Committee of the Program on Man and the Biosphere of the United Nations Educational, Scientific and Cultural Organization, Beijing Museum of Natural History and 18 other organizations and research institutes, the exhibition will last one month.

On display are more than 300 photos and models to illustrate the problems confronting the earth—resources,

environment and ecology and some other fields, and China's achievements on natural resources protection.

Song Jian, state councilor, Zhou Guangzhao, president of Chinese Academy of Sciences, and Dr. H.L. Teller, representative of United Nations Educational, Scientific and Cultural Organization, attended today's opening ceremony and spoke.

Song Jian said, a series of environmental problems have emerged along with the development of China's economy and society and China is willing to work together with the governments and peoples of other countries to create a global environment that sustains further development. [sentence as received]

He Kang Views Upcoming FAO Regional Conference

OW2104164690 Beijing XINHUA in English
0950 GMT 21 Apr 90

["FAO Regional Conference Will Strengthen Ties"—XINHUA headline]

[Text] Beijing, April 21 (XINHUA)—The upcoming regional conference of the United Nations' Food and Agriculture Organization (FAO) to be held here next Monday will help strengthen ties in agriculture in the Asian and Pacific region, said He Kang, minister of agriculture, today.

In an interview with XINHUA, the minister said China has made all possible preparations for the delegates from 32 member countries in the region.

He Kang said the Asian and the Pacific region accounts for 56 percent of the world's population, and agriculture has a direct bearing on the economic development of these countries, as well as of the entire world.

In the past decade, he said, the region has made great achievements in agricultural production, especially in the recent few years when the world has been facing a harsh situation in agriculture. However, the minister said, the food problem in this region hasn't been finally solved.

According to He Kang, the coming conference is a regular conference held every two years. It will focus on discussion of the food situation and major problems arising in agricultural production in the region, and solutions to these problems.

By now, the minister said, 28 member countries have registered to attend the conference. Representatives of some international and regional institutions will also be present.

Zheng Tuobin Leaves For UN Economic Session

OW2104141290 Beijing XINHUA in English
0700 GMT 21 Apr 90

[Text] Beijing, April 21 (XINHUA)—A Chinese delegation led by Zheng Tuobin, minister of foreign economic

relations and trade, leaves Beijing for New York this morning to attend a special session of General Assembly of the United Nations on economic affairs, which is scheduled to be held from April 23 to 28.

Report Lauds Efforts To Combat Racism, Apartheid

*OW2004205090 Beijing XINHUA in English
1748 GMT 20 Apr 90*

[Text] United Nations, April 20 (XINHUA)—UN Secretary-General Javier Perez de Cuellar said in a report released here today that China had been making persistent effort to combat racial discrimination and apartheid all over the world.

In his report on the second decade to combat racism and racial discrimination, the UN chief said that "the government of China sought [as received] to act in consort with the governments of other member states to do what is necessary for the implementation of the program of action for the second decade to combat racism and racial and racial discrimination."

The UN General Assembly in its resolution 38/14 of November 22, 1983, proclaimed the 10-year period beginning on December 10, 1983, the second decade to combat racism and racial discrimination.

The secretary-general said Chinese Premier Li Peng reiterated on March 21, 1990, in a telegram sent to the chairman of the UN Special Committee Against Apartheid that his government and people support the just struggle of the people of South Africa for racial equality and fundamental human rights.

He also recalled that on November 7, 1989, China called upon the international community to continue to exert strong pressure on South Africa and give active support and generous aid to the people of the country until they achieved final victory in their struggle.

He pointed out that, in addition to its moral support, China, as in previous years, donated 30,000 U.S. dollars to the UN trust fund for South Africa in March 1989.

China is a signatory to the international convention on the elimination of all forms of racial discrimination and the international convention on the suppression and punishment of the crime of apartheid.

April U.S.-Soviet Talks in Washington Viewed

*HK2204070090 Beijing GUANGMING RIBAO
in Chinese 8 Apr 90 p 4*

[News roundup by Washington-based correspondent Wang Deming (3769 1795 6900): "The Topics of Discussion Are Pinpointing But Deadlock Remains"]

[Text] Washington, 6 Apr—Soviet Foreign Minister Shevardnadze arrived in Washington on 3 April and held three rounds of talks with U.S. Secretary of State Baker centering on the arms control problem of reducing strategic weapons, and the situation in Lithuania. Both

sides also discussed the arrangements for the summer meeting between the heads of the two countries, and have officially announced that the meeting will be held between 30 May and 3 June in Washington.

Previously the United States and the Soviet Union had repeatedly stated that they would sign an agreement by the end of this year on reducing strategic and conventional arms. But, according to sources, the foreign ministers of the two countries have not achieved any substantial progress concerning the arms control problem in the present talks in Washington. Both sides have expressed disappointment with the talks. However, both U.S. and Soviet foreign ministers have stated their hope that the stalemate could be broken at the next round of talks to be held between 16 and 19 May in Moscow.

The situation in Lithuania was also one of the central topics in the talks. Baker said the United States has stated explicitly to the Soviet Union that "the Lithuanian problem is extremely important to the United States, because it involves our fundamental principle and our stand over the last 40 years." On the first day the U.S. and Soviet foreign ministers held talks (4 April), the U.S. Senate passed a resolution requesting Bush to adopt measures to establish normal relations with Lithuania as an independent country.

On 6 April, Bush met with the Soviet foreign minister. They talked for more than two hours. Shevardnadze told reporters when leaving the White House that the Lithuanian problem is a Soviet internal affair. But he also stated that the USSR is prepared to discuss this problem with anybody. Following his meeting with Shevardnadze, Bush said at a gathering organized by the United States Press Chief Editor Association, that the Lithuanian situation will affect arms control talks and other issues in U.S.-Soviet relations. He also said there are many pressing issues in U.S.-Soviet relations waiting for resolution, and he had told Shevardnadze that the Soviet Union was not to use force against Lithuania.

Media opinion here observes that lately there has been a change in the relaxing atmosphere in U.S.-Soviet relations. NEW YORK TIMES points out that "present relations between the two countries are possibly in the most intense state ever since Bush assumed office. And the main cause is that Washington is dissatisfied with the Kremlin's high-handed measures against the Lithuanian independence movement." Even so, the United States and the Soviet Union have not postponed the timetable of their summit meeting because both need the meeting. As Bush remarked when replying to a reporter's question after both sides had announced the date of summit meeting on 5 April: "U.S.-Soviet dialogue is extremely important."

United States & Canada

U.S. Urged Not To Suspend MFN Status

Economists, Trade Experts View

HK2304023090 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 23 Apr 90 p 1

[By staff reporter Qu Yingpu]

[Text] Chinese economists and trade experts last week called on the United States to "cherish the hard won Sino-U.S. relations."

Attempts by some U.S. congressmen to suspend China's most favoured nation [MFN] status "will result in a serious setback to bilateral political and economic ties," one leading Chinese economist told BUSINESS WEEKLY.

"If the United States takes such a serious move, not only will the interests of both America and China be harmed, but it will have a bad effect on the stability and development of the Asian-Pacific region and the whole world," warned the economist, who declined to be named.

A foreign trade expert explained that without the backing of mutually-granted most favoured nations status, the Sino-U.S. trade protocol signed in July 1979 after the two countries established diplomatic relations will become "a mere scrap of paper," and other bilateral commercial agreements may also be affected.

Since the protocol had taken the mutually-granted most favoured nations status as the cornerstone of Sino-U.S. trade relations, the U.S. Congress' annual re-examination of the "qualification" of China's status is "unreasonable and discriminative," he said.

The Chinese Government has been trying for years to convince the United States to dispense with that annual re-examination.

According to a 1974 regulation, the United States re-examines the qualification of socialist countries annually to continue their most favoured nations status. The status may be revoked if the United States deems that the particular nation forbade emigration, placed unduly restrictive emigration standards, or collects extra charges from emigrants.

"But U.S. congressmen should realize that it is their own country, not China, that has been limiting Chinese emigration to the United States," another trade expert said.

Without most favoured nation status, China will have to pay standard tariffs to get its products into the U.S. market. Those tariffs are generally much higher than that paid if a nation has most favoured nation status.

The expert said that the U.S. congressmen concerned should not forget that to isolate China with a 1.1 billion population will bring "no good to the U.S. nor to global economic development."

"China has never yielded to pressure from outside," he said, "neither during the Western incursions of the last century, nor will it now under Western economic sanctions."

The rapid growth of Sino-U.S. economic relations and trade since 1979 indicates that the economy of the world's biggest developing country very much complements that of the biggest industrialized nation, another economist said.

"Anyone who fails to see this is short-sighted," he said.

During the last 10 years, the growth in trade with the United States was among the highest of any of China's trading partners, despite strict U.S. controls on exporting high-tech items to China and its harsh quotas on importing China's textiles, iron and steel and tungsten products.

According to Chinese customs figures, bilateral trade volume jumped up to \$12.25 billion last year from only \$990 million in 1978.

Customs figures also show that trade between the two countries continued to grow during the first quarter of this year. During that period, China's imports from the United States went up to \$1.39 billion, while its exports to the U.S. market increased to \$874.7 million.

Although last year's bilateral trade volume only accounted for a little more than one percent of the total foreign trade of the United States the world's biggest trader, it took a 10.85 percent share out of China's total. China's imports from the United States accounted for 13.39 percent of its total imports, while its export to the United States as a share of its total exports was 8.4 percent.

The economist said the big Chinese market with 1.1 billion consumers and China's on-going large-scale economic development create "very good opportunities for the United States to export technology, equipment, agricultural products and other items to China." Meanwhile, the U.S. demand for Chinese products is also rising.

Other economic ties with the United States have also experienced a rapid development during the last 10 years.

The United States is the biggest investing country in China, although the capital it has put into China is a very small percentage of its total overseas investment of \$260 billion.

By the end of last year, U.S. investors had established almost 950 projects with a total contracted U.S. investment of more than \$4 billion.

Meanwhile, the United States is the country which is absorbing the largest amount of Chinese investment, although Chinese investment there only amounts to \$300 million.

The economists and foreign trade experts called on "the U.S. Government, Congress and people to stop the economic sanctions against China and stop doing anything harmful to bilateral relations."

Extension Requested

OW2204014890 Shanghai Voice of Pujiang in Mandarin to Taiwan 0900 GMT 20 Apr 90

[Text] According to the China International Broadcasting Station, (Sharp), chairman of the Council of the National Committee for U.S.-China Relations; and (Lampton), president of the committee, called for an extension of the most favored nation treatment for China.

Based on an analysis of the issue from various angles, they said that the United States should maintain substantive relations with China.

Among other things, they said, China's cooperation is required for the settlement of issues about Cambodia and the Korean peninsula. China is an expanding market where the United States can compete with its Japanese and European competitors. Certain global issues, like those concerning the environment and the economy, cannot be effectively settled without China's cooperation.

They criticized certain U.S. congressmen for trying to force China to submit by using punitive measures.

U.S. Group Comments

OW2004200790 Beijing in English to East and South Africa 1700 GMT 19 Apr 90

[Text] Two leaders of the American National Committee on U.S.- Chinese Relations have called on the Bush Administration to continue granting the most-favored-nation [MFN] status to China. The Committee chairman (Raymond Sharsa) and the organization's president (David Lampton) made the call in an article published by the CHRISTIAN SCIENCE MONITOR yesterday. They argue that it is important to maintain good relations with China because of the need for China's cooperation in order to resolve the Cambodian and Korean Peninsula issues, and because China plays an important role in any major global, environmental and economic issue. They also criticized some American congressmen for their attempt to (?use) sanctions against China.

'Imperialist' Attitude Viewed

HK2304055290 Hong Kong MING PAO in Chinese 23 Apr 90 p 10

[Article by Hsia Lu (1115 5684): "The Yankees' Imperialist Features"]

[Text] Recently, the U.S. Department of Defense submitted an important document entitled "Report on the Structural Framework in the Asia-Pacific Marginal Areas," where Taiwan, Xisha [Paracel] Islands, and Nansha [Spratly] Islands were ridiculously listed as "unsolved territorial issues." Although the U.S. Department of State and the U.S. Department of Defense rapidly clarified this issue, this incident once again reminded all people in the world that the United States has never given up its ambition in coveting strategic areas in East Asia.

Afterward, an official of the U.S. Department of State explained that this occurrence was caused completely by the lack of coordination between the Department of State and the Department of Defense. Such an explanation could only be a gross deception. Three weeks before, Ford, deputy assistant secretary of defense responsible for international affairs [as published], made a similar mistake at a hearing of the Asia-Pacific Affairs Committee of the House of Representatives by saying that "the territorial issues of Taiwan and Hong Kong are still unsolved." Because Ford's official rank is not high enough and the hearing was not an official one, his remarks did not attract sufficient attention from the outside world.

In fact, over a long period of time, some people in the United States were unhappy to see that the U.S. strategic force in East Asia was getting weaker and weaker, and some people continued to hold the opinion that "Taiwan's status is still undetermined." Once there was an opportunity, they would try hard to create contradictions in the hope that the United States could relive its old experience of dominating East Asia as it did in the 1940's and 1950's.

Moreover, aside from the issues of Taiwan, Xisha, and Nansha, some people in the United States have also been talking about the Tibet issue for many years. In particular, quite a few U.S. Congressmen even kept advocating that "Tibet's status is undetermined." In recent years, both chambers of the U.S. Congress passed many resolutions on the Tibet issue. Although most of these resolutions mainly talked about human rights, they did not cover the nature of interfering in China's internal affairs. Some U.S. congressmen and journalists often used such terms as "Formosa," "the Tibetan people and the Chinese people," and "the Tibetan government and the Chinese government" wittingly or unwittingly, hinting that Taiwan and Tibet remained independent entities in terms of international law.

After the report of the U.S. Department of Defense was published, the Taiwan authorities immediately made

strong reactions and representations to the U.S. side through various channels. However, a surprising fact was that the mainland authorities, which have always been extremely sensitive to the issues concerning state sovereignty and who have a strong sense of principle, have not made any reaction on this event so far. According to the usual practice of the mainland authorities, it would be absolutely impossible for them to accept the proposition that "Taiwan remains an unsolved territorial issue," and they would certainly make strong reactions by attacking anyone who claimed that "the Xisha and Nansha Islands are unsolved territorial issues." In particular, the report of the U.S. Department of Defense could be used by the mainland authorities as a rare negative teaching material to show that the U.S. authorities harbored the ambition of interfering in China's internal affairs.

The silence of the mainland authorities made people believe that China's U.S. policy seemed to be in a certain degree of chaos and that the Chinese authorities were trying as much as possible to avoid irritating the U.S. authorities, while the U.S. side was also seeking an opportunity for restoring contacts with China. Almost at the same time that the U.S. Department of Defense submitted that report, U.S. President Bush said in a televised interview that he was disappointed to learn that China did not make improvements in the aspect of human rights, but he still thought that the policy of not imposing sanctions against China was correct. The Chinese authorities certainly welcomed such a goodwill signal. However, the issue of territorial sovereignty is of vital importance, and the silence of the Chinese authorities is unforgivable.

The report of the U.S. Department of Defense also had a positive side. That is, it not only once again exposed the imperialist features of some people in the United States, but also once again reminded the authorities on both sides of the Taiwan Strait that the issue of reunification cannot be delayed any longer. Otherwise, this will provide an opportunity of which some international forces can take advantage.

Former U.S. Envoy Criticizes

HK2304070990 Hong Kong MING PAO in Chinese
23 Apr 90 p 11

["Special article" by Lin Pao-hua (2651 0202 5748):
"Winston Lord Criticizes Bush's Policy Toward China"]

[Text] Former U.S. Ambassador to Beijing Winston Lord recently criticized U.S. President Bush's policy toward China harshly.

The divergence of views between Winston Lord and George Bush arose some time ago, as a result of the arrangements for the return banquet to be given by Bush during his visit to Beijing last February. The Beijing authorities wantonly tried to bar Fang Lizhi from attending the banquet, thus causing a diplomatic incident. After this event, the U.S. State Department was

displeased with the American Embassy in Beijing for having included Fang Lizhi on the list of people to be invited to the banquet.

When he served as head of the U.S. Liaison Office in Beijing between 1974 and 1975, Bush developed an affection for China. Ever since, he has taken a relatively friendly attitude toward the Beijing regime. However, during his stay in Beijing, Lord and his wife had wide connections with intellectuals in Beijing and were well aware that Beijing lacked human rights, freedom, and democracy. Both Bush and Lord had served in the same senior official post but they followed a different road.

Lord's criticism of Bush's policy toward China for "being showy and not substantial" is not without grounds. Following the "4 June Incident", he twice dispatched his state security assistant, Scowcroft, as a special envoy to secretly visit Beijing, just as President Nixon had dispatched his state security assistant, Henry Kissinger, as a special envoy to Beijing, in an attempt to create a furor. Nevertheless, the situation has changed greatly in the past 10 years or so. During the Nixon era, the CPC cherished the progressive intention of opening up the country from behind closed doors, but after the "4 June Incident," it went backward from opening up to closing its doors. For this reason, Bush's move, instead of causing a sensation in the world, was criticized by U.S. public opinion. And the diehards in Beijing seemed to have an arrow in their quiver, refused to make any concessions, and even demanded a higher price. This forced Bush to be "disappointed." This "impractical" policy has "backfired."

Bush opposed overall sanctions against China for fear that Sino-American relations would be broken off. Of course, this was a rational point of view and a policy that could continue to exert pressure upon Beijing and usher in "peaceful evolution," and it was also a necessary means of pushing Beijing to the road of freedom, democracy, human rights, and legality. Nevertheless, Lord did not advocate severing all relations with Beijing either, preferring to maintain "cold and working relations" with Beijing to making contacts with the high-level leaders and adopting a one-sided pose.

Bush was too enthusiastic in this aspect and overestimated his "old friend" relationship with Deng Xiaoping, believing that if he adopted a positive attitude, Deng Xiaoping would not disappoint his "old friend." But Bush forgot that Deng Xiaoping is above all a veteran communist member, who must put "party spirit first, friendship second." Moreover, Deng Xiaoping's strength and prestige have been considerably diminished, and he cannot really control the diehards. Furthermore, when Bush was disappointed with Beijing, he was too impatient about putting forward the Fang Lizhi issue. Such exposure of his inner world no doubt gave Beijing the chance to demand a higher price. It seems that even though Bush had been head of the U.S. Liaison Office in Beijing and served as CIA director, he does not actually understand the CPC very well.

Lord's criticism of Bush indicates that people who advocate a hard attitude toward Beijing will apply more pressure on Bush and Beijing. Therefore, the question of whether the United States will abolish the most-favored-nation treatment in its economic exchanges with Beijing has been of increasing concern. Such an act would probably strike a heavier economic blow than the previous sanctions against Beijing, which is now short of foreign exchange.

Article Views Sino-U.S. Economic Relations

HK2304103090 Hong Kong TA KUNG PAO in Chinese
22 Apr 90 p 2

["Special Article" by staff reporter Lin Ning (2651 1337): "Sino-U.S. Economic and Trade Relations Face Tests"]

[Text] The press spokesman for the current Spring Trade Fair said today that once the United States withdrew most-favored-nation status from China there would be serious deterioration in Sino-U.S. economic and trade relations which will definitely cause great damage to the economic interests of both sides.

Quoting articles from the "Sino-U.S. Trade Relations Agreement," effective February 1980, and using the trade fair as an example, the spokesman explained that since most-favored-nation status was granted, economic and trade relations between the two embarked on a new and rapid development stage.

U.S. businessmen began participating in trade fairs in 1972 and in 1980 their participation was most enthusiastic. Since then, the number of participating U.S. businessmen and the ensuing volume of trade have increased considerably, exceeding those of countries and regions which already had economic relations with China. Last year, the volume of trade between China and the United States at the Spring Trade Fair leaped into fourth position, next only to Hong Kong, Japan, and the European Community. Moreover, the trade volume at last year's Autumn Trade Fair reached \$630 million for the first time, ranking next to Hong Kong and Macao and the European Community, and accounting for 8.6 percent of the total volume of trade conducted at the Autumn Trade Fair. On the other hand, according to statistics, the number of U.S. businessmen participating in the Spring Trade Fair had exceeded 800 and trade is expected to be promising.

It is not difficult to see from this that to grant the most-favored-nation status to each other is very important for the development of economic and trade relations between the two countries. Comparable figures show that last year's Sino-U.S. bilateral trade reached a record \$12.25 billion, representing a 12-fold increase over the time prior to the "Sino-U.S. Trade Relations Agreement" being enacted.

The Chinese Market is Attractive

At the sight of the vast potential market in China, some U.S. businessmen with special insight have become aware that it is advantageous to the United States to maintain and develop economic and trade relations with China.

(Roger Salman), chairman of the U.S.-Sino Business Commission, explains in his book: "The proportion of machinery exported to China has remained stable. Nearly three percent of U.S. investment in China is in manufacturing industries and the percentage is still on the increase. China has also shown interest in increasing the purchase of U.S. agricultural products such as wheat and animal feed. This is undoubtedly a good sign for the United States to increase the export of agricultural products" He believes: "In comparison with other major competitors, the United States should be more willing to transfer its technology and to invest in manufacturing industries in China.

Nevertheless, some U.S. congressmen have harbored the idea of stopping or canceling the most-favored-nation status for China. As far as immediate interests are concerned this will, in the first place, be detrimental to American investors. By the end of last year, there were 949 U.S. investment projects in China, with a contracted investment volume totaling \$4.1 billion, including petroleum, coal and charcoal, electricity, telecommunications, manufacturing industries, mining, and the tourist industry.

In the long run, since Asian countries and regions, including Hong Kong, Macao, Singapore, and Taiwan, all carry on entrepot trade with China and the base figure of trade volume is large, it will affect the interests of all these countries and regions if China's most-favored-nation status is canceled. Moreover, the United States' trade war with the European Community and with Japan is waging more intense daily, how can it be comfortable amid these challenges?

Everyone knows that the most-favored-nation status is the basic requirement for the development of Sino-U.S. economic and trade relations and is the fundamental norm for establishing new economic order among nations throughout the world. To China and the United States, this is not only necessary but also mutually beneficial.

Not Only Necessary But Also Mutually Beneficial

With the many changes taking place in the world, China, which is devoted to peaceful construction, is politically stable and will continue to pursue the policies of independence, self determination, and reform and opening up. As the United States enters the economic growth period with exports as the driving force, China has shown clearly that it has amazing power to diversify its exports and its potential capacity on its vast market. To the U.S. economy, China will be the United States' indispensable trading partner.

(Losen), vice chairman of the American Imports Bank, said the other day that although the opening up of various East European countries has brought a great deal of investment opportunities to overseas investors, the drastically changing political systems and economies make it impossible for American investors to really heavily invest there in the near future. He said: "The American Imports Bank hopes to maintain its long-standing good relations with China. By the middle of last year, relevant loans had increased to \$530 million." He also said that the Asia-Pacific region, which includes China, is still the largest prospective borrower of the future.

According to information quoted from overseas cables, the U.S. MacDonell Douglas Aviation Corporation announced recently that it had contracted with China to cooperate in manufacturing 45 passenger airplanes and is negotiating to develop a new sort of aircraft, with a preliminary plan to produce 15 such planes. The 45 airplanes which will be manufactured through cooperation will be completed by the end of 1994 and two planes will shortly be turned over to China for domestic use.

It Will Affect the Political Relations of the Two Countries

From the abovementioned we can see that the intention of some U.S. congressmen of canceling China's most-favored-nation status clashes with the hopes of U.S. business and financial circles. To "isolate" China will cause the United States to be "caught in a net of its own making." What is more is that this move will also make it unavoidable for the political relations of the two countries to be affected.

Such a move may bring about an overall change. We advise those U.S. congressmen to be careful about the cancellation of China's most-favored-nation status.

Soviet Union

Li Peng Begins Four-Day Official Visit

Perfilyev Comments

*OW2004113890 Beijing International Service
in Mandarin 0900 GMT 18 Apr 90*

[Text] At a press conference on 17 April, Perfilyev, first deputy director of the Information Bureau of the Soviet Foreign Ministry, while touching on the significance of Chinese Premier Li Peng's upcoming visit to the Soviet Union, said the Soviet Union believes that this visit is an important event and another step in extending and deepening Sino-Soviet dialogue.

The spokesman said: Since Gorbachev's visit to China in May 1989, the diverse links between our two countries have been marked by dynamism.

Touching on the Soviet Union's policy on Taiwan, the spokesman reiterated: The Soviet Union's principle and

stand have remained unchanged. Taiwan is an inalienable part of China and is a province of China. The Soviet Union will not permit any act of creating two Chinas or one China and one Taiwan, and will not have any official contacts with Taiwan. In other words, any form of political relations between the Soviet Union and the Taiwan authorities is out of the question.

Moscow Prepares for Visit

*HK2304002890 Beijing ZHONGGUO XINWEN SHE
in Chinese 0921 GMT 22 Apr 90*

[Report by Chen Dawei (7115 1129 4850): "Moscow Is Waiting for Premier Li Peng's Visit"]

[Text] Moscow, 22 Apr (ZHONGGUO XINWEN SHE)—April in Moscow, the capital of the Soviet Union, marks a busy season for political activities. In Moscow, people have just held various forms of activities to commemorate the 120th birthday of Lenin. Now, the city is preparing for the coming visit of Chinese Premier Li Peng.

Because this will be the first visit by a Chinese government leader to the Soviet Union since the late Premier Zhou Enlai's visit in 1964, both China and the Soviet Union have attached great importance to this visit. Some other countries have also shown great interest in the visit.

Soviet President Gorbachev and Foreign Minister Shevardnadze separately issued statements not long ago, saying that Premier Li Peng's visit will give a "new impetus" to the development of Sino-Soviet relations, which were normalized one year ago. They also indicated that the Soviet side will make every effort to continuously advance such relations.

According to the authorities concerned, the schedule of Premier Li Peng's visit has been fixed with consideration being given to all details. Premier Li Peng and his wife Zhu Lin will stay in the national guesthouse with a quiet environment. After the special plane arrives in Moscow, the Chinese premier will be welcomed in a grand ceremony.

It is also revealed that during the visit, Li Peng will hold talks with Ryzhkov, chairman of the USSR Council of Ministers, and will be received by President Gorbachev. The leaders of the two countries will exchange opinions deeply on bilateral relations and major international issues of common interest, and may also sign a series of documents aimed at strengthening and developing good-neighborly and friendly relations.

Sino-Soviet friendship has become a topic frequently mentioned by the mass media in Moscow. The Central Television Station of the Soviet Union broadcast a documentary filmed in China in a comprehensive program yesterday morning. The film was about the happy and tranquil life of a Chinese old man who served in the Soviet Army in the past.

Chinese reporters who have come to Moscow to prepare for the coverage of Premier Li Peng's visit are now busily working. China's Central Television and XINHUA dispatched large numbers of reporters to Moscow. In addition, RENMIN RIBAO, ZHONGGUO XINWEN SHE, the Central People's Broadcast Station, the China International Broadcast Station, GUANGMING RIBAO, JINGJI RIBAO, and other major Chinese mass media also dispatched reporters to cover the significant visit. It is learned that a number of foreign reporters will also come to Moscow to cover Li Peng's visit to Moscow.

It is now the best season in Moscow. The weather is fine, and there are mild spring breezes. All this seems to presage the good prospects of Sino-Soviet relations.

Demonstrators To Denounce Visit

OW2204154690 Taipei CNA in English 1506 GMT 22 Apr 90

[Text] Tokyo, April 22 (CNA)—A large scale pro-democracy rally will be held in a square close to the Soviet Foreign Ministry in Moscow on the evening of April 23 to denounce Red Chinese Premier Li Peng.

The SANKEI SHIMBUN said in a dispatch from Moscow that this rally is designed to time with Li's visit to Moscow to protest against his role in last June's bloody suppression on students in Tienanmen Square.

Li Peng Arrives in Moscow

OW2304113790 Beijing XINHUA in English 1116 GMT 23 Apr 90

[Text] Moscow, April 23 (XINHUA)—Li Peng, premier of the Chinese State Council, arrived here at noon today to start his four-day official visit to the Soviet Union, the first of its kind over the past 26 years.

This is also the first visit by a Chinese Government head since the normalization of relations between the two countries following Soviet leader Mikhail Gorbachev's China visit and his handshake with Deng Xiaoping in Beijing last May. It marks further progress in the two neighboring states' relations on the basis of the five principles of peaceful co-existence.

Premier Li Peng and his wife Zhu Lin were met at the Vnukovo airport here by Soviet Chairman of the Council of Ministers Nikolay Ryzhkov and Mrs. L.S. Ryzhkova, and Foreign Minister Eduard Shevardnadze. Premier Li Peng and his entourage were warmly welcomed by the Soviet hosts.

Accompanying Premier Li on the visit are Qian Qichen, foreign minister, Tomur Dawamat, chairman of the People's Government of the Xinjiang Uygur Autonomous Region, Gan Ziyu, vice-minister of the State Planning Commission, Yuan Mu, director of the Research Office of the State Council, Xu Xin, deputy chief of General Staff of the Chinese People's Liberation Army, Yang Dezhong, special assistant, Liu Shuqing,

director of the office in charge of foreign affairs under the State Council, Tian Zengpei, vice-minister of foreign affairs and Li Lanqing, vice-minister of foreign economic relations and trade and other senior officials.

Chinese Ambassador to the Soviet Union Yu Hongliang and wife, diplomats of the Chinese Embassy here and representatives of the Chinese students studying in the country were also present on the occasion to meet the Chinese premier.

A grand welcoming ceremony was held at the airport in spring breeze here. With Sino-Soviet national flags flying and the band playing the two national anthems, Premier Li reviewed the guard of honor of the Soviet Armed Forces in the company of Chairman Ryzhkov.

In his written airport speech, Premier Li said, "the Chinese and Soviet peoples enjoy a traditional friendship, and prospects are good for further developing relations between the two big socialist neighboring countries."

"We believe that the improvement of Sino-Soviet relations will not only serve the fundamental interests of the two peoples, but also be conducive to peace and development in Asia and the world as a whole," he added.

After the ceremony, Premier Li went to the state guest house on the Lenin Hill accompanied by Ryzhkov. The motorcade passed along the streets decorated with the national flags of both countries.

This afternoon, leaders of the two governments will hold the first round of talks and the Soviet Government will host a dinner this evening in honor of Premier Li Peng and other Chinese guests.

Li Peng Speaks at Moscow Airport

OW2304115090 Beijing XINHUA in English 1121 GMT 23 Apr 90

[Text] Moscow, April 23 (XINHUA)—Chinese Premier Li Peng said here today the purpose of his visit to the Soviet Union is to further promote the process of developing relations between the two countries.

He made these remarks in a written statement upon his arrival at the Moscow Vnukovo Airport.

"It gives me great pleasure to have come to Moscow at the invitation of the Soviet Government on an official visit to the Union of Soviet Socialist Republics," Li said.

He indicated that the visit to China last May by Soviet leader Mikhail Gorbachev led to the normalization of relations between China and the Soviet Union.

"Since then, our relations in political, economic, trade, scientific and technological, cultural, educational and many other fields have been developed in the spirit of the Sino-Soviet joint communique. And it is the purpose of my current visit to further promote this process," the Chinese premier stressed.

He noted that during his visit here, he will be exchanging views with Soviet President Gorbachev, Chairman of the Council of Ministers Nikolay Ryzhkov and other comrades from the Soviet leadership on matters concerning bilateral relations and on major international issues of common concern.

The Chinese premier continued that China has always committed to the maintenance and development of friendly relations and cooperation with all other countries on the basis of the five principles of peaceful coexistence.

The Chinese and Soviet peoples enjoy a traditional friendship, and prospects are good for further developing relations between the two big neighboring socialist countries, he added.

He said, "we believe that the improvement of Sino-Soviet relations will not only serve the fundamental interests of the two peoples, but also be conducive to peace and development in Asia and the world as a whole," said Premier Li.

In conclusion, Li Peng said he would like to take this opportunity to pay his highest respects to the citizens of Moscow and the great people of the Soviet Union in general.

Premier Li and the Chinese delegation he is leading arrived here at 12:24 [0824 GMT] local time today to start a four-day official visit to the Soviet Union. He will hold his first round of talks with Chairman Ryzhkov this afternoon.

Visit, Relations Viewed

HK2304095890 Beijing ZHONGGUO XINWEN SHE
in Chinese 0315 GMT 23 Apr 90

["Roundup" by reporter Liu Yusheng (0491 7183 3932):
"Premier Li Peng Visits Soviet Union; Sino-Soviet Relations Become Practical"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing 23 Apr (ZHONGGUO XINWEN SHE)—State Council Premier Li Peng left Beijing this morning on a four-day official visit to the USSR. This visit will exert far-reaching effects on Sino-Soviet relations.

Li Peng's visit to the USSR will certainly push forward the good-neighborly relations between the two countries and give new impetus to their cooperation based on equality and mutual benefits.

During his stay in the USSR, Li Peng will exchange in-depth views with Gorbachev and other Soviet leaders on Sino-Soviet bilateral relations and major world issues of common concern on an extensive scale.

Both the Chinese and Soviet leaders believe that Premier Li Peng's current visit to the USSR is of vitally important significance and hope that it will be successful. When Gorbachev was elected USSR president on 15 March he told reporters that Li Peng's visit to the USSR

would be "a major event" and would "give new impetus" to the mutual relations that have taken shape since his visit to China last year. In a 27 March interview with Soviet reporters, Li Peng stated: "It is my hope that the upcoming visit will further push forward the progress of Sino-Soviet relations in every sphere."

Li Peng is supported by a very strong cast during his current visit. His entourage consists of responsible persons from foreign affairs, foreign trade, economic relations, and military affairs. From the words of Shevardnadze, the Soviet minister of foreign affairs, it is not difficult to see that Li Peng's visit aims to make concrete the accord reached at the 1989 Soviet-Chinese supreme summit. First, bilateral economic cooperation and second, the thorough elimination of military confrontation. These issues will occupy an important place in Sino-Soviet talks. The two sides will also discuss the world situation and the situation in the Asia-Pacific region. A series of accords will be initialled.

China and the USSR are neighbors, sharing a border spanning some 7,000 km. Li Peng's current visit to the USSR to develop Sino-Soviet good-neighborly relations is favorable to peace in Asia and the world and also to the two countries and their peoples. In answering Soviet reporters' questions on 4 April, Premier Li Peng said that China is willing to further develop Sino-Soviet relations in the political, economic, cultural, science, and educational spheres on the basis of the five principles of peaceful coexistence. In the 16 April interview the Soviet minister of foreign affairs said: "Our current bilateral relations are transiting toward specifically implementing the accord already reached and practical work." "Here I specifically refer to developing economic and scientific and technological cooperation between the two countries, eliminating military confrontations (much has been achieved in work in this sphere), settling the border issue, and discussing the issue of mutual cooperation in the Asia-Pacific Region and the world."

The development of Sino-Soviet relations over the past year has been healthy and steady. The changes in the world situation have not affected the two countries in seeking to progress their bilateral relations. Meeting CPSU Central Committee International Department first deputy chief and his entourage on 16 April, CPC Central Committee Political Bureau Standing Committee member Song Ping said that since the Sino-Soviet supreme summit the two parties have normalized their relations, ties between them have increased, and the Chinese side is satisfied with this. He believed that Li Peng's visit to the USSR will further push forward the development of party-to-party and state-to-state relations between China and the USSR.

At present, mutual visits at various levels between China and the USSR are more extensive than previously and the levels have been somewhat upgraded. The Chinese Army and its Soviet counterpart restored ties in early April. Economic and trade relations between the two countries have further developed, while cooperation and

exchanges in science, technology, culture, and education continue based on the negotiated plan. Ties in this sphere will continue to expand with Sino-Soviet relations becoming practical.

Editorial Views Visit

HK2304042290 Hong Kong TA KUNG PAO in Chinese
23 Apr 90 p 2

[Editorial: "New-Type Sino-Soviet Relations Forge Ahead"]

[Text] Chinese Premier Li Peng today will begin his four-day official visit to the Soviet Union. This will be the first visit by a Chinese government head to the Soviet Union in the past 26 years. So both countries have attached great importance to the visit. The purpose of the visit is to promote the good-neighborly and friendly relationship between the two large countries of China and the Soviet Union, and it will be of great significance for maintaining peace in Asia and in the whole world.

When recently talking about this visit, Soviet President Gorbachev said that the visit will give a "new impetus" to the two countries' relations. Li Peng himself also said: "It is hoped that this visit will further promote the development of the two countries' relations in all fields." This indicated that both sides have the intention of further developing their relations on the basis of Gorbachev's visit to China last May that restored the normal relationship between the two states and the two parties of China and the Soviet Union.

Last year, Gorbachev's visit to China bore the significance of "terminating the past and opening up the future." This time, Li Peng's return visit is oriented to the future and represents a concrete action to build and consolidate the new-type state-to-state relations between China and the Soviet Union under the rapidly changing international situation. China is willing to further develop political, economic, cultural, scientific, and educational exchanges with the Soviet Union on the basis of the five principles of peaceful coexistence. It is learned that during his visit, Li Peng will sign five agreements. In the field of economic cooperation, it is likely that the two sides will conclude a "10-year trade agreement."

The issue to which the international community has paid keenest attention is whether China and the Soviet Union will conclude a certain kind of agreement on delimiting their boundary line and reducing the forces stationed along the border. During his visit to China last year, Gorbachev proposed that both countries reduce their forces stationed along the border. After that, the talks on the border issue and the work of the Sino-Soviet military group also made progress. If the two sides can sign an agreement on this issue this time, then it will mark the progress in the improvement of bilateral relations in the past year. Earlier this month, Song Wen [as published], director of the foreign affairs bureau of the Chinese Ministry of Defense, visited the Soviet Union at the

invitation of the Soviet Ministry of Defense. It indicated another new development in the two countries' military exchanges. At the end of the visit, the Soviet side announced that in military relations between the countries, "the solid ice has been broken," and it is expected that the two sides may make new contacts on military affairs in the near future. "The development of relations in various fields" mentioned by Li Peng may also include the military field.

The two large countries of China and the Soviet Union share a boundary line more than 7,000 kilometers long. In the past, massive forces were stationed along this border. This not only constituted tension between the two countries, but also posed threats against other countries in Asia. Since Sino-Soviet relations were normalized, the situation along the long border has been stable. China is concentrating on its modernization construction and needs a peaceful environment; the Soviet Union also needs to concentrate on handling its domestic issues. Reducing the forces of both sides stationed in the border areas to a level commensurate with the normalization of their relations and adopting more measures for increasing mutual trust will not only be in the interest of both peoples, but will also be favorable to peace and stability in the Asia-Pacific region. In the 1980's, China carried out disarmament on the largest scale by reducing 1 million troops. At the beginning of the 1990's, it is hoped that the world will continue to develop in the orientation of peace and development and that the United States and the Soviet Union will agree to reduce their military forces in Asia.

The trend of reform in the socialist countries is still attracting close attention from the international community. In the past few days, both the Soviet Union and China held activities to commemorate the 120th anniversary of the birth of Lenin, who was the founder of the socialist states. A major contribution made by Lenin was to consistently integrate the principles of Marxism with a country's concrete conditions. All socialist countries must select their own socialist roads according to specific national conditions. In the past year since Gorbachev's visit to China, new changes have occurred in many socialist countries, including China and the Soviet Union. The political outlook of the East European countries has changed substantially; the CPSU has put forward its new program, and Gorbachev himself has held a new office and has become the first president of his country with greater power. Through the political storm last May and June, China has also undergone major personnel changes in its top leadership. Last week, Song Ping, a member of the Political Bureau Standing Committee of the CPC Central Committee, told some Soviet visitors that the current world conditions are very complicated, so it is necessary for the two parties of China and the Soviet Union to exchange opinions in order to develop their relations. Li Peng's visit will thus further promote relations between the two parties and the two states. In the handling of their party-to-party relations, China and the Soviet Union have been pursuing the

principle of mutual respect. Socialist countries must not interfere in each other's internal affairs. When China and the Soviet Union normalized their relations last year, they announced that they would not establish allied relations like those in the 1950's and would neither maintain confrontational relations like in the 1960's and 1970's. Relations between the two countries will not be determined by the ideological factor, so the ideological issue will not be a main subject in Li Peng's visit to the Soviet Union.

During Li Peng's visit to the Soviet Union, Moscow will continue to take action to tackle the problem of Lithuanian independence. Through careful consideration and through consultation with the allies, the United States may make certain reactions. Whether the U.S.-Soviet summit meeting in late May will be affected is a question of wide interest. On the other, some new variables have also appeared in Sino-U.S. relations. How Sino-U.S. relations will develop is also a major international issue attracting close attention. When recently talking about Sino-Soviet relations, Soviet Foreign Minister Shevardnadze pointed out that Sino-Soviet relations are being turned into the stage of concretely implementing the concluded agreements and doing more practical work. This is a proper description of the current condition in Sino-Soviet relations.

Visit Substantive, Not Ceremonial

HK2304065690 Hong Kong WEN WEI PO in Chinese
23 Apr 90 p 2

[Special dispatch by WEN WEI PO Beijing-based correspondent Chen Chien-ping (7115 1696 1627): "Li Peng's Visit to the Soviet Union and Sino-Soviet Relations"]

[Text] A Chinese delegation headed by State Council Premier Li Peng is scheduled to visit the Soviet Union on the 23d of this month. For the last few days, RENMIN RIBAO, the official newspaper of the CPC Central Committee, has prominently featured relevant news and reports on friendly Sino-Soviet relations. The newspaper's abrupt change from the past practice of attaching little importance to news about the Soviet Union indicates that Li Peng's current visit is not a courtesy visit in return for Gorbachev's visit to China last year. It will substantially promote the relations between the two communist parties and countries, since both sides advocate "closing the past account and looking forward to the future."

China attaches great importance to Li Peng's current visit, and so does the Soviet Union. PRAVDA, the official newspaper of the Soviet Communist Party, recently sent a delegation to China. A Chinese reporter who had helped with the reception told this reporter that the Soviet Union attaches great importance to Li Peng's visit. "Gorbachev is personally responsible for preparations for the visit. He also personally assumes leadership in developing the bilateral relations. He sets great store by the Sino-Soviet relationship." Soviet friends were quoted by the reporter as saying that despite the fact that

the two countries differ in their views and assessments of the international situation, and that China has reservations about the Soviet government's reform policies, the overall foundation of Sino-Soviet relations will not be affected. News organs in the Soviet Union have received instructions from the authorities that the two parties and countries should not have a row, and any articles which are likely to anger the other party must not be published.

Both countries are readjusting and improving their relations in a quiet atmosphere. Outsiders might not be able to "discern" the "implication" of some episodes happening in the relevant course, but it was quite another story for those involved. For instance, when Gorbachev was elected president, Yang Shangkun, president of the PRC, addressed him as "Comrade President" in his message of congratulations. Again, when responding to a question raised by a Soviet reporter at a press conference for Chinese and foreign reporters, Li Lanqing, vice minister of foreign economic relations and trade, addressed the reporter as "Comrade Soviet reporter" immediately after he called him "Mr. Soviet reporter." Soviets could surely realize China's policy toward them from all these gestures.

Chinese reporters working on the mainland learned from Soviet reporters that apart from attaching great importance to Premier Li Peng's visit, the Soviet government has on its own initiative invited Jiang Zemin, general secretary of the CPC Central Committee, to visit the Soviet Union, and suggested mutual visits by high-ranking party cadres.

Since both governments are set to substantially improve their relations, they will first promote their cooperation in the economic field. In an interview with a PRAVDA reporter about Premier Li Peng's visit a few days ago, Soviet Foreign Minister Shevardnadze said that the first step in putting into effect the agreement reached in the Soviet-Chinese summit last year is to step up economic cooperation between the two countries. He believed that bilateral economic cooperation holds unlimited prospects. He also disclosed that an important item on the agenda will be complete removal of military confrontation. The two parties will also discuss the world situation and the situation in the Asia-Pacific region. Therefore, Premier Li Peng will discuss with Soviet leaders steps to promote economic cooperation and completely remove military confrontation. This is something substantial. They will also review the international situation, but they will not go further in this regard.

As the two parties and governments are making efforts to improve their relations, they are facing a world which is undergoing a sharp change, followed by a change in ideology. This reporter asked a CPC cadre, who is a Soviet Union expert, about the change. He said that though the two parties are divided over the international situation, they have much in common in developing bilateral relations. Again the Soviet Union will continue practising socialism and protect Lenin's legacy. Therefore, the two parties are trying to develop bilateral

relations out of long-term strategic considerations, which is by no means an expedient measure.

Commentary Considers Visit

HK2304023890 Beijing CHINA DAILY in English
23 Apr 90 p 4

[Commentary: "Moscow Talks"]

[Text] At the invitation of the Soviet Government, Premier Li Peng starts his official visit to the Soviet Union today.

Li's visit is a logical follow-up of Soviet leader Mikhail Gorbachev's trip to China in May last year.

If Gorbachev's trip fulfilled the two countries' common wish of "ending the past and opening up the future," as it did indeed, the Chinese Premier's visit will surely provide a fresh impetus to the further development of their bilateral relations along a normal course.

During the next three and a half days, Li, the first Chinese Premier visiting Moscow in more than a quarter of a century, is expected to hold talks with his counterpart Soviet Prime Minister Nikolai Ryzhkov. He will also meet President Gorbachev and other top Soviet leaders to discuss a wide range of bilateral and international issues.

Expansion of bilateral co-operations in trade, in the economic sector, and in science and technology will likely be a major topic of mutual interest. Their discussions could well lead to the signing of concrete agreements.

In fact, Sino-Soviet relations have travelled along the road of substantive progress since the two countries normalized relations last May. Trade transactions rose to a record high of \$3 billion, and more frequent high-level political, economic, scientific and cultural exchanges have taken place.

As the two largest socialist countries, China and the Soviet Union have a shared interest in revitalizing their economies through reforms and in promoting the general welfare of their peoples. Since the two economies are complementary in many areas, there are bright prospects for expanding co-operation.

The two countries have acknowledged and repeatedly affirmed that in today's world, relations between countries must be based on the five principles of peaceful co-existence.

Strict implementation of these principles is the only guarantee of the further development of a stable, good-neighbourly relationship.

Such a relationship will not only benefit the Chinese and Soviet peoples but also contribute to peace and stability in Asia and the world.

Many dramatic changes have taken place of late, posing unexpected issues and challenges for peoples around the world. The forthcoming Moscow meetings will give senior Chinese and Soviet leaders a chance to exchange their views and perspectives on what is happening around them.

It is hoped that the meetings may also be conducive to the settlement of some issues in the Asian-Pacific region.

May the Premier's visit be crowned with success.

Li Peng Pays Official Visit to Soviet Union

For Soviet reportage of Premier Li Peng's four-day visit to the Soviet Union, see the China section of the 23 April Soviet Union DAILY REPORT and subsequent issues.

XINHUA Interviews Official on Trade

OW2004115690 Beijing XINHUA Domestic Service
in Chinese 1340 GMT 19 Apr 90

[By reporter Li Huailin (2621 2037 2651)]

[Text] Beijing, 19 Apr (XINHUA)—The normalization of relations between China and the Soviet Union has greatly promoted economic exchanges and trade between the two countries. The volume of bilateral trade in 1989 was more than \$3 billion, an increase of 20 percent over the previous year.

This reporter has learned from an official of the Chinese Ministry of Foreign Economic Relations and Trade that there will be a new increase in trade between the two countries this year.

He said: The Soviet Union has become one of China's major trade partners, the fifth largest after the Hong Kong and Macao regions, Japan, the United States, and the FRG.

Sino-Soviet trade is distinctively characterized by the fact that it is built on the basis of equality and mutual benefit. The bilateral trade is structured in a way that each side supplements the other by providing it with goods according to the needs and possibilities. About 50 percent of trade is in raw and semifinished materials and primary products, and the rest is textiles, light industrial and machinery products.

During the period between 1981 and 1989, China imported from the Soviet Union more than 7.8 million metric tons of rolled steel and pig iron, 17 million cubic meters of logs and timber for paper making, 3.7 million metric tons of urea, and more than 1.19 billion Swiss francs worth of nonferrous and precious metals.

During this period, China exported to the Soviet Union more than 600,000 metric tons of meat and canned meat, 630,000 metric tons of fruits, 8,000 metric tons filature silk, about 970 million Swiss francs worth of

nonferrous metals and mineral products, and three billion Swiss francs worth of soybeans, corn, and shelled peanuts.

During the same period, China also imported 119,000 cars and motor vehicles and 57 airplanes from the Soviet Union, and exported a great deal of textiles and light industrial products. In recent years, China's high quality products, such as machinery products, hand tools, car batteries, bearings and spare parts for automobiles and railway carriages have entered Soviet markets.

The official of the Chinese Ministry of Foreign Economic Relations and Trade pointed out that the growth of Sino-Soviet trade is a result of the joint efforts of the two sides in implementing a series of bilateral agreements.

The Chinese and Soviet Governments signed agreements on economic and technical cooperation, scientific and technological cooperation, and on the establishment of a Sino-Soviet Committee for Economic, Trade, Scientific, and Technological Cooperation in 1984. In the following year, the two governments signed a long-term trade agreement for 1986 to 1990 and an agreement on economic and technological cooperation in building and upgrading industrial projects in China. The signing of these agreements has laid a legal foundation for further developing the economic and trade relations between the two countries and ensure a stable growth of Sino-Soviet trade in a planned way.

In recent years, China and the Soviet Union have taken part in various international trade fairs in the other country. Especially a large economic and trade fair held by China in Moscow and a large industrial exhibition sponsored by the Soviet Union in Beijing in 1986 have provided new opportunities for economic cooperation between the two countries. It is understood that the two countries will also hold large trade fairs in each other's capital this year.

Along with the rapid growth of the bilateral trade, freight transportation is booming. The annual volume of transported goods has reached more than nine million metric tons. In addition to the existing rail, sea, and highway transportation, river transportation has become available in the past two years. Ports on Heilong Jiang have been opened by China at Tongjiang and Heihe and the Soviet Union at Nizhneye, Leninskoye, and Blagoveshchensk.

Border trade and trade between provinces and cities in the interiors of the two countries has also developed rapidly. In 1983, the trade volume between Heilongjiang and Inner Mongolia and the Soviet border areas was only about 22 million Swiss francs. In 1988, the trade volume between Heilongjiang, Inner Mongolia, Jilin, and Xinjiang and the Soviet border areas reached more than 800 million Swiss francs.

In addition, several other provinces and cities such as Liaoning and Shandong Provinces as well as Shenyang,

Dalian, Shanghai, and Chongqing Cities have set up economic and trade relations with Soviet counterparts. The volume of border and local trade between the two sides in 1989 was about \$540 million.

The Chinese Ministry of Commerce and the All-China Federation of Supply and Marketing Cooperatives have resumed consumer goods exchanges with their Soviet counterparts and the Ministry of Agriculture has engaged in cooperation in fishery and aquatic products with the Soviet Ministry of Fishery.

The official said: Sino-Soviet economic relations and trade have developed from the original barter trade to diversified forms. The two sides have gradually adopted such cooperative forms of setting up joint ventures, contracting engineering projects, and providing labor service, which are in common practice between countries. The first group of labor service personnel from Heilongjiang have engaged in fruit and vegetable growing in the Soviet Far East region, while the Soviet Union has also dispatched personnel to China's Hainan and Dao to cooperate in the production of cocoa and other crops. By the end of 1989, the two sides had signed 95 contracts for cooperative projects and labor services, and 14 agreements for joint ventures, with a total value of \$240 million.

The two countries have also signed two loan pacts in 1988. Under one of the pacts, the Soviet Union is to provide loans to the Chinese Government in the form of commodities for building a railway between Usu and Alatau mountain pass in Xinjiang; and the other is a commercial loan pact signed by China's Huaneng Company with the Soviet side for using the loan to purchase Soviet power equipment.

Of the 33 projects included in the Sino-Soviet agreement on economic and technological cooperation in building and upgrading industrial projects in China, contracts have already been signed on 12 projects, including two 500,000 volt power transmission lines, Harbin Flax Mill, Wuhan Steel Plant's No. Three High Furnace, Anshan Steel Plant's No. 11 High Furnace, and Luoyang Bearing Plant. Negotiations on contracts for the remaining projects have been going on, except for 13 projects which will be altered or cancelled because of the lack of necessary conditions.

The official stressed that Premier Li Peng's forthcoming visit to the Soviet Union and exchange of visits between leaders of the two countries will certainly further expand the area of economic cooperation and trade between the two countries and make new contributions to the development of their economic cooperation and trade.

Hebei Official Meets With Economic Delegation

SK2004133690 Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 20 Mar 90

[Text] On the afternoon of 20 March at the meeting hall of the provincial Foreign Affairs Office, Ye Liansong,

vice governor of Hebei Province, met with a four-member economic and trade delegation from the Soviet Union's Tomsk Oblast, headed by (Yujiyarovich), deputy director of the oblast Planning and Economic Bureau.

The delegation visited our province with a view to investigating and understanding the situation of cutting burnt forest trees, processing leather, jointly building shops for the special marketing of China's products, and conducting scientific and technological cooperation.

At the meeting, Vice Governor Ye Liansong introduced to the guests our provincial industrial, agricultural, and tourist development situation. He also expressed his wish that through the delegation's visit both sides would be able to make a key breakthrough in conducting economic, trade, and technological cooperation, and that both sides would make mutual progress through their cooperation.

(Yujiyarovich) also introduced the oblast's scientific, cultural, and educational situation. He expressed his wish that both sides would further widen their exchange and cooperation ties in the near future.

Xinjiang Vice Chairman Meets Oblast Delegation

OW2104213390 Urumqi Xinjiang Television Network in Mandarin 1300 GMT 19 Apr 90

[Announcer-read report over video; from the "Xinjiang News" program]

[Text] [Video opens with medium shots of a well-furnished room packed with dozens of seated Xinjiang and Soviet officials who talk to one another through a standing male interpreter] On the afternoon of 18 April, Hederbai, vice chairman of the Autonomous Region, cordially met at the people's hall all the members of the Soviet (Orenburg) Oblast Economic and Trade Delegation, who are here to conduct economic exchanges. On behalf of the Autonomous Region People's Government, Vice Chairman Hederbai welcomed the Soviet guests and hoped that in days ahead both sides will have more trade contacts and a more extensive sphere for cooperation.

Northeast Asia

Mongolian Leader Ochirbat Meets Envoy

OW2104135790 Beijing XINHUA in English 0648 GMT 21 Apr 90

[Text] Ulaanbaatar, April 20 (XINHUA)—Newly elected Mongolian leader Punsalmaagiyn Ochirbat reiterated here today the policy of furthering the traditional friendly relations with both the Soviet Union and China at his meeting with Chinese Ambassador to Mongolia Zhang Delin.

Ochirbat, chairman of the Presidium of the Great People's Hural of Mongolia, also briefed the Chinese ambassador on his country's newly formulated economic open policy.

Ochirbat, former minister of fuel and power industry, former minister of geology, former chairman of the Liaison Committee of Foreign Economic Relations, was elected chairman of the Presidium of the Great People's Hural at a session of the Great People's Hural Congress on March 21.

Li Ruihuan Meets, Fetes Japanese Group

OW2204133590 Beijing XINHUA in English 1030 GMT 22 Apr 90

[Text] Beijing, April 22 (XINHUA)—Li Ruihuan, member of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee, met and hosted a dinner for a group of Japanese visitors here tonight.

The group, led by Isao Nakauchi, chairman and president of the Daiei Company, and Toshimi Kaibara, governor of Hyogo Prefecture, have been here to participate in the "travel by automobiles along the Silk Road," an organized tour jointly sponsored by Nakauchi and Kaibara.

Shandong Governor Meets Japanese Delegations

SK2004135090 Jinan Shandong Provincial Service in Mandarin 2200 GMT 19 Apr 90

[Text] On the afternoon of 19 April, Provincial Governor Zhao Zhihao met with Mr. (Gojima Kiyoaki) and Mr. (Michimoto Yasumi) and their parties from the Kyowa Bank and the Showa Leasing Company of Japan at Jinan's Qilu Guest House.

During the meeting, Governor Zhao spoke highly of the two Japanese monetary organizations for establishing a joint venture—the (Huahe) Leasing Company—in our province. The company issues investment loans to support our province's economic development. The guests expressed heartfelt gratitude to the provincial government and departments concerned for their active support for their businesses.

Since its establishment, the (Huahe) Leasing Company, which was established jointly by the Kyowa Bank and Showa Leasing Company of Japan and our province, has supported more than 350 enterprises of our province in technical transformation, with the total investment exceeding \$100 million. This has played a positive role in developing our province's economy.

Japanese Trade Association Opens Liaoning Office

OW2004141690 Beijing XINHUA in English
0757 GMT 20 Apr 90

[Text] Dalian, April 20 (XINHUA)—The Industry and Trade Development Association of Kanagawa Prefecture, Japan, recently opened an office in Dalian, an industrial port city in Liaoning Province, northeast China.

The association, consisting of about 500 firms and trading companies in Kanagawa, was founded in 1971. Its Dalian office is expected to help promote economic and trade ties and cooperation between Kanagawa and northeast China, and provide consultancy services for both sides.

The office will also give guidance to Japanese industrialists who want to invest in China.

Liaoning and Kanagawa set up sistership ties in 1983.

Southeast Asia & Pacific

Reportage Continues on Fiji Prime Minister Visit

Completes Sichuan Tour

HK2104050490 Chengdu Sichuan Provincial Service
in Mandarin 0915 GMT 18 Apr 90

[Text] Accompanied by Minister of Water Resources Yang Zhenhuai and the provincial Vice Governor Luo Tongda, this morning Fiji's Prime Minister Mara and his wife visited the Dujiangyan Water Irrigation Project, the Yangzikou Power Station, the Chengdu [name indistinct] factory and other places.

In the afternoon the distinguished guests completed their two-day visit to our province. Governor Zhang Haoruo and Vice Governor Luo Tongda saw them off at airport.

Meets Yang Shangkun

OW2004111390 Beijing XINHUA in English
0700 GMT 20 Apr 90

[Text] Beijing, April 20 (XINHUA)—Chinese President Yang Shangkun met with Prime Minister Ratu Sir Kamisese Mara of the Republic of Fiji and his entourage at the Diaoyutai State Guesthouse here today.

Yang called Mara "an old friend of the Chinese people," who has come a long way to visit China.

When Yang learned Mara had toured the Dujiangyan irrigation project in southwest China's Sichuan Province, he said, "you have been to my hometown. That ancient irrigation system is an interesting place."

The Chinese president noted that Mara had conducted fruitful talks Thursday with General Secretary Jiang

Zemin of the Chinese Communist Party and Premier Li Peng. "We meet here today to make friends with each other," he said.

Mara thanked the Chinese Government for the warm reception accorded him during his current visit. He said that 12 years have passed since he visited China for the first time in 1978.

He said Shenzhen has now become a modern city, though it was a small village 12 years ago. "I've found that your country has changed a great deal over the 12 years," he added.

Present at the meeting were Chinese Foreign Minister Qian Qichen and chairman of the Chinese Government reception committee and Minister of Water Resources Yang Zhenhuai.

After the meeting, Yang gave a luncheon for the Fijian guests.

Ends Six-Day Visit

OW2004134990 Beijing XINHUA in English
1156 GMT 20 Apr 90

[Text] Beijing, April 20 (XINHUA)—Ratu Sir Kamisese Mara, prime minister of the Republic of Fiji, left here this afternoon, winding up his six-day official and goodwill visit to China.

Prior to the departure, Chinese Premier Li Peng and his wife Zhu Lin bid goodbye to Mara and his wife. Li congratulated Mara on his successful China tour, describing his visit as a new contribution to the friendship between the two peoples.

Mara said Fiji will maintain and promote its friendly ties with China.

Li wished Mara a good journey and expressed the hope to see him in China again.

Earlier today, Mara and his entourage visited the Asian Games village and the Tiananmen rostrum.

Sub-Saharan Africa

Zimbabwe Independence Day Marked in Beijing

Yang Shangkun Sends Message

OW2004144390 Beijing XINHUA Domestic Service
in Chinese 0748 GMT 17 Apr 90

[Text] Beijing, 17 April (XINHUA)—Yang Shangkun, president of the People's Republic of China, sent a warm congratulatory message to the Zimbabwean President, Robert Mugabe, 16 April on the occasion of the 10th anniversary of Zimbabwe's independence.

In his message, President Yang said: Under your leadership, the Zimbabwean Government and people have

worked hard for the prosperity of the Republic of Zimbabwe since its glorious birth 10 years ago, and have embarked on the road of development based on independence and national conditions. They have safeguarded the peace and stability of the country, enhanced national unity, and developed the national economy, giving a new look to the country. In international affairs, Zimbabwe has firmly pursued a policy of nonalignment, resolutely opposed imperialism, colonialism, and racism, and played a active role. It has also made important contributions and won extensive international praise in defending the aim and course of the nonaligned movement, in promoting peace and development in southern Africa, and in the just struggle to oppose racism in South Africa.

Yang Shangkun said: The Chinese Government and people are sincerely happy with the successes reaped by Zimbabwe, and wish the people of Zimbabwe new and greater victories.

Yang Shangkun said: The 10th anniversary of Zimbabwe's independence also marks the 10th anniversary of Sino-Zimbabwean ties. In the past 10 years, China and Zimbabwe have trusted and supported each other, and have established a sincere friendship to conduct effective cooperation.

Yang Shangkun expressed the profound belief that the friendship and cooperation between the two nations will continue to expand.

Celebrations Held

OW2004143290 Beijing XINHUA in English
1125 GMT 20 Apr 90

[Text] Beijing, April 20 (XINHUA)—The 10th anniversary of the establishment of diplomatic relations between China and Zimbabwe was marked here today with celebrations co-organized by the Chinese People's Association for Friendship With Foreign Countries, the Sino-African People's Friendship Association and the Zimbabwe Embassy in Beijing.

As a way to mark the occasion, Zimbabwe Ambassador to China N.T. Goche and his wife, along with other embassy officials and their spouses, accompanied by the associations' leading officials, took a tour of the "Ever-green Township" in the western suburb of Beijing.

Central African President Concludes Visit

OW2104224190 Shanghai City Service in Mandarin
0900 GMT 20 Apr 90

[Text] President of the Central African Republic, General Kolingba, and his wife left Shanghai this afternoon by special plane after winding up their visit to China. They were seen off at the airport by Cui Naifu, chairman of the reception committee and minister of civil affairs; and Zhu Rongji, mayor of Shanghai.

Ethiopian Culture Minister Previews Visit

OW2204180290 Beijing XINHUA in English
1210 GMT 22 Apr 90

[By Chen Jinjun]

[Text] Addis Ababa, April 22 (XINHUA)—Ethiopia is very much satisfied with its cultural and sports relations with China, said Minister of Culture and Sports Affairs Yilma Girma before his leaving for China today.

Mr. Girma told XINHUA at the airport that his visit to China will help to promote the cordial cultural and sports relations between the two countries.

China has rich experience in sports and cultural development and Ethiopia wishes to learn from China in those aspects, he added.

The minister said that he will discuss with Chinese leaders on matters concerning the building of a stadium in Addis Ababa with Chinese assistance.

Last year, the two countries signed a two-year cultural exchange agreement. A source from the Chinese Embassy here said that the Ethiopian minister will also hold talks with Chinese leaders on the implementation of the accord and the possibility of setting up joint ventures in the fields of culture and sports.

Political & Social

Li Peng Appoints Yao Yilin Acting Premier

OW2304014990 Beijing XINHUA in English
0024 GMT 23 Apr 90

[Text] Beijing, April 23 (XINHUA)—Vice-Premier Yao Yilin becomes China's acting premier in charge of the work of the State Council during Premier Li Peng's visit to the Soviet Union.

This was announced by Premier Li Peng at a recent meeting of the State Council.

Song Ping Writes on Deng's Party Building Theory

HK2004150190 Beijing RENMIN RIBAO in Chinese
20 Apr 90 p 3

[Article by Song Ping (1345 1627): "An Important Document on the Building of a Ruling Party—Reading 'Deng Xiaoping on Party Building'"]

[Text] Comrade Deng Xiaoping has always paid attention to party building. Particularly in the course of socialist revolution and socialist construction, he has provided many explicit expositions on the building of a party in power, thus making outstanding contributions to the development of Mao Zedong's theory on party building. At the Eighth CPC National Congress, Comrade Xiaoping, on behalf of the Central Committee, made a report on revising the party constitution and systematically expounded Mao Zedong's ideas on party building. After the Third Plenary Session of the 11th CPC Central Committee, in line with the new situation of reform and opening up and the status of the party, Comrade Xiaoping proposed completely and correctly understanding Comrade Mao Zedong's thesis on party building, by pointing out the necessity to emancipate the mind, to be practical and realistic, to unite as one and forge ahead, to focus on economic construction, to adhere to the four cardinal principles, to practice reform and opening up, to oppose bourgeois liberalization, to restore and carry forward the party's fine traditions and style, to strengthen ideological and political work, to carry out socialist spiritual civilization, to oppose erroneous ideological trends, and to enable cadres to become more revolutionary, younger in average age, better educated, and more professionally competent. Comrade Xiaoping's expositions have laid an important ideological foundation for the establishment of the ideological, political, and organizational line of the party in the new historical period. After the turmoil and counterrevolutionary rebellion were put down last year, Comrade Xiaoping seriously criticized the party's shortcoming of being strict in one aspect and lax in another. He explicitly pointed out that our party should be straightened out, and promptly reminded party committees at all levels to concentrate their minds on party building.

The book "Deng Xiaoping on Party Building" published by the People's Publishing House has selected 39 works

during the 12 years from 1977 to 1989, which witnessed bringing order out of chaos in ideological guidelines, the shift of the party's work focus, and the suppression of the political storm. Today it is extraordinarily affectionate to review these works by taking account of the experiences and lessons in party building for the last 10 years as well as the present international and domestic situation. We have benefited much from reviewing them.

As soon as I got the book "Deng Xiaoping on Party Building," I roughly read it, and felt that the most prominent point was building socialism with Chinese characteristics and resolute adherence to the CPC leadership. As early as 1979, in view of the problems in party style and the emergence of bourgeois liberalization in society, Comrade Xiaoping explicitly pointed out: "We must ideologically and politically adhere to the four cardinal principles in realizing the four modernizations in China." He advised the entire party to make great efforts to wage resolute combat against ideological trends that doubt the correctness of the four cardinal principles.

The focus of contradiction between the four cardinal principles and bourgeois liberalization is whether there is a need to uphold the CPC leadership. The establishment of the leading position of the CPC was a historical choice made by the Chinese people after a prolonged revolutionary struggle. History and reality suggest that without the CPC, there would not have been socialist New China. Comrade Xiaoping pointed out: "Without a party composed of party members with high consciousness, discipline, and the spirit of self-sacrifice, without a party that genuinely represents and unites the people, and without the unified leadership of such a party, it would have been impossible to unify the ideas and strength of several hundred million people to carry out socialist construction; instead, a split would occur and nothing would be accomplished." A host of facts have proved that if a Communist Party gives up its leading position and political power, the opposition parties will do as they like to the Communist Party; even its existence may become doubtful, let alone building socialism.

Second, Comrade Xiaoping takes serious account of strengthening the party's ideological building and has always stressed the importance of seeking truth from facts. "Seeking truth from facts" was an inscription written by Chairman Mao for the Central Party School of Yanan. Comrade Xiaoping has always stressed the profound meaning of this inscription, saying that it has summed up the ideological line of dialectical materialism and historical materialism and was the essence of Mao Zedong Thought. The Third Plenary Session of the 11th CPC Central Committee restored and reestablished the Marxist ideological line of the party. Comrade Xiaoping summed up this line as follows: Seeking truth from facts, proceeding from actual conditions in everything we do, combining theory with practice, and taking practice as the criterion for judging truth. Seeking truth from facts is a summation of the party's ideological line and is also where the essence of the party's fine traditions lies. The history of the party for the last 70 years

indicates that seeking truth from facts is an important guarantee for defeating enemies and scoring victory; deviation from the principle of seeking truth from facts will lead to mistakes and setbacks. Just imagine, if the ideological line was not straightened out after the Third Plenary Session of the 11th CPC Central Committee, it would have been impossible to correctly sum up history, to understand the situation at that time, to shift the party's work focus, or to propose the basic state policy of reform and opening up to the world. Now in strengthening the party's ideological building, the crux is to persist in the principle of seeking truth from facts and to implement it in all work.

Many comrades can talk about seeking truth from facts, but it is not so easy to put it into effect. In seeking truth from facts, two points must be observed. The first one is having an explicit understanding of the actual situation. Here our cadres are required to frequently go into the realities of life, to stay at the grass-roots level, and to live among the masses so that they can find out about new situations and study new problems. The second point is using the stand, viewpoints, and methods of Marxism-Leninism-Mao Zedong's Thought to analyze and observe actual problems and to make correct conclusions, which will be used to guide our work. So party members, particularly party-member leading cadres, should study Marxism. Apart from understanding the basic principles of Marxism, they should also combine these principles with practice and take them as ideological weapons for transforming the objective world and their subjective world.

Third, Comrade Xiaoping takes much account of the ties between the party and the masses. He said that the party cannot live without the people, nor the people without the party. The masses are the source of our strength and the foundation of our victory. Our party and country are now in a crucial period. Whether or not we can maintain the flesh and blood relations between the party and the masses and unite the people of all nationalities throughout the country in a common effort to overcome difficulties will have direct bearings on the success and failure of our cause. Recently the party Central Committee called on leading cadres at all levels to get rid of bureaucratism, to stop separating themselves from the masses, to go to the grass-roots level, to stay among the masses, and to find problems from the realities of life. Perseverance in this practice will bring about a great change in the style of leading cadres. Those who fail to do so are not entitled to Communist Party membership.

To enjoy the support of the masses, the party should resolutely overcome corruption in the party. This will win the people's trust. Comrade Xiaoping said, having privileges is an important cause of cadres being divorced from the masses. In the course of reform, opening up, and developing the commodity economy for the last few years, a small number of people have abused their powers for personal gain, practiced malfeasance, and engaged in corruption, bribery, and extravagant spending, thus seriously damaging the party's image and

arousing strong dissatisfaction among the masses. After the Fourth Plenary Session of the 13th CPC Central Committee, the party Central Committee began to solve these problems. It took the lead in doing something practical for the masses, and this was well received by the masses. Now unswerving efforts should be made to carry on this work at every level. There is also a need to form a strict and effective supervisory system through reform and to combine ideological education with the enforcement of regulations and discipline.

Fourth, Comrade Xiaoping attaches great importance to the building of the cadre contingent and leading groups. As he stressed, leading powers of party and state organs at all levels must remain in the hands of politically and professionally qualified cadres who are loyal to Marxism. He said that the implementation of the party's ideological and political line must be ensured by the party's organizational line. When assigning cadres for leading groups in the future, "people who seriously study Marxism-Leninism-Mao Zedong's Thought and have stood the test of struggle must be selected; people who have a strong sense of party spirit and distrust heresy must be selected; people who are diligent, modest, practical, realistic, honest, and sincere must be selected; and people who work hard, maintain close ties with the masses, concern themselves with suffering of the masses, have vigor and practical experience, and can do something practical must be selected." People of bad political quality whose ideological system is anti-Marxist must not be selected. Following the deepening of construction and reform, Comrade Xiaoping also proposed reforming the cadre and personnel system, abolishing the life tenure system, and mixing young cadres with old ones. Over the last few years we have made great achievements in enabling cadres to undergo the "four transformations." Of course, there are also shortcomings in some respect, such as overlooking the revolutionization of cadres. We should seriously sum up experience so as to implement this correct principle better. In carrying out the "four transformations" of cadres, it is necessary to put revolutionization in first place. International hostile forces and some people who persist in bourgeois liberalization in the country place their hopes on a period 10 or 20 years later; they hope that their men will assume power in China. This is their daydream, but we must maintain a high degree of vigilance. This year we will carry out an overall investigation on cadres; adjust leaders in party committees, government organs, and key departments at the county level and above; and promote politically qualified young cadres so that leadership at all levels will remain in the hands of people who are loyal to Marxism. This will provide organizational guarantee for the continuity of the party's policies and the prolonged tranquility of our socialist motherland.

Since the Fourth Plenary Session of the 13th CPC Central Committee, party committees at all levels have paid closer attention to party building and strengthened their theoretical study and research of party building. This is a good beginning. The publication of the book

"Deng Xiaoping on Party Building" provides an ideological weapon for comrades in the entire party to study the theory on party building and to strengthen party building. Party organizations at all levels should seriously organize their members in studying this book so as to improve the Marxist theoretical level of the entire party, to build our party into a stronger and more militant vanguard of the working class, and to make our socialist motherland more prosperous and thriving.

People's Congress, Consultation Systems Reviewed

HK2104020090 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No. 13, 16 Mar 90, pp 14-15

[Article by Wu Jian (2976 0256), Li Qing (2621 1987), and Zheng Yan (6774 1484): "Democratic Political System with Chinese Characteristics"]

[Text]

China's People's Congress System

The people's congress system is China's fundamental political system. This is an organizational form of state power created by the Chinese people and suited to China's national conditions. Article Two of the PRC Constitution stipulated: "All power in the PRC belongs to the people. The organs through which the people exercise state power are the National People's Congress [NPC] and the local people's congresses at different levels." This indicates that the NPC is the highest organ of exercising state power on behalf of the people.

In September 1949, the First Plenary Session of the Chinese People's Political Consultation Conference, which was held in Beijing, officially decided that the people's congress system be taken as China's fundamental political system. In September 1954, the First Session of the First NPC was solemnly opened in Beijing. It indicated that the people's congress system was systematically established in the whole country from the central to local levels. The NPC session adopted New China's first Constitution, which further affirmed in a legal form that the people's congress system was suited to China's national condition and was a system through which the people could exercise state power. The NPC session also formulated the NPC Organic Law, the State Council Organic Law, and other important laws and elected the leading members of the central state organs, thus building up the basic system of the democratic political power of the Chinese people.

In the three years from its first session to its fourth session, the First NPC played a major role in promoting socialist industrialization; conducting the socialist transformation of agriculture, handicraft industry, and capitalist industry and commerce; stabilizing social order; developing the people's democracy; and perfecting the socialist legal system. It adopted the resolution on developing the First Five-Year Plan for Developing the National Economy, deliberated and approved the annual state budgets and final state accounts in this period. In

addition, it also formulated and promulgated a series of important laws and decrees, decided some major state affairs, and made some explorations for improving the administrative structure, procedures, and systems of the state organs.

The people's congress system epitomized democratic politics with Chinese characteristics. However, after 1957, up to the end of the "Cultural Revolution" in 1976, the people's congress system was seriously damaged. The functions and powers of the NPC and its standing committee specified by the Constitution were often neglected or even encroached upon wantonly. As a result, the state's democratic life was also seriously impaired. This was the main reason why the people's congresses were later described by some people as "rubber stamps."

After 1976, the restoration of people's congresses at all levels was included in the work schedule. In 1978, the First Session of the Fifth NPC adopted the revised Constitution, which resumed some basic principles of the 1954 Constitution and reaffirmed that the NPC is the supreme organ of state power. In late 1978, the Third Plenary Session of the 11th CPC Central Committee summed up both positive and negative experience after the founding of the PRC, especially the painful experience in the 10-year turmoil. The plenum was of epoch-making significance for the development of socialist democracy and the construction of the legal system in China. After that, the people's congress system in China entered a brand-new stage in its historical development. In May 1982, the Fifth Session of the Fifth NPC adopted the revised Constitution; and the Sixth NPC further adopted the decisions on revising the election law for the NPC and local people's congresses and the organic laws of the local people's congresses and the local people's governments at different levels. Some major amendments were added to the original laws in this regard. The 1982 Constitution includes some important stipulations on perfecting the people's congress system, especially expanding the functions and powers of the NPC Standing Committee. The Constitution also stipulates that standing committees be set up in the people's congresses at and above the county level.

—Quicken the pace of legislation and promote the establishment of the socialist legal system. Over more than two years, the Seventh NPC has successively formulated 19 laws and made 11 decisions concerning legal issues. A socialist legal system based on the constitution has initially taken shape. Among other new laws, the Law on Industrial Enterprises Owned by the Whole People has played an important role in promoting the entire economic structural reform and especially in deepening enterprise reform. The Law on Assemblies, Processions, and Demonstrations was also formulated according to the spirit of the Constitution. It guarantees the citizens' democratic right for holding assemblies, processions, and demonstrations, and provides the legal grounds for the citizens to exercise this right. The Basic Law for the Hong Kong

Special Administrative Region that will soon be submitted to the Third Session of the Seventh NPC for examination and approval gives expression of the great conception of "one country, two systems" and accords with the fundamental interests of the whole people throughout the country, including the Hong Kong compatriots. Its formulation will help safeguard China's state sovereignty and territorial integrity and will also help effectively guarantee Hong Kong's prosperity and stability.

It should be pointed out that when examining the drafts of various laws, the NPC fully pursues the principle of democracy. All bills are discussed and revised repeatedly before they are approved. The enterprise law, the Hong Kong basic law, and other laws are all formulated after going through full democratic procedures.

—Strengthen legal supervision and work supervision. Supervising the enforcement of the Constitution and the laws is one of the major functions and responsibilities of the NPC and its standing committee. The Seventh NPC and its standing committee have selectively listened to reports by some state departments in this regard in order to investigate and inspect the implementation of some laws, to prompt the departments concerned to strictly enforce the laws and correct the cases of violating the Constitution and laws. In their inspections, the NPC deputies and standing committee members also paid attention to the implementation of the laws and the implementation of the decisions and resolutions of the NPC and the NPC Standing Committee. They also paid close attention to the people's opinions and demands. The Seventh NPC and its standing committee have also strengthened work supervision, which not only supports and promotes the work of the administrative, judicial, and procuratorial institutions but also imposes necessary checks and balances on them. Such supervision will help improve the state's decision-making mechanisms and will promote the democratization of the state's political and economic life on the basis of the legal system. Every year, the NPC session examines and approves the annual plan for economic and social development, the report about the implementation of the plan in the previous year, the state budget, and the final state account. The standing committee also regularly listens to the work reports by the State Council, various ministries and commissions, the supreme people's court, and the supreme people's procuratorate. In the third quarter every year, the State Council has to submit to the NPC Standing Committee a report about the implementation of the plan and the budget. When the State Council finds it necessary to make partial adjustments of the plan for economic and social development or the state budget, it must submit the adjustment scheme to the NPC Standing Committee for examination and approval.

—Strengthen self-construction and gradually standardize its work in all fields. The Seventh NPC and its standing committee have formulated some meeting

procedures and work rules. The work rules of the Seventh NPC Standing Committee set forth clearer requirements and procedures for the work of the standing committee and various special committees of the NPC. The work system of the chairmanship meetings specifies the functions and purposes of such meetings and the procedures for holding such meetings, discussing issues, and handling documents. Various special committees of the NPC have also worked out their own work rules and meeting procedures.

The NPC meeting procedures adopted by the Second Session of the Seventh NPC constituted a procedural law for the supreme power organ to exercise its functions and powers. Its formulation ensured that the NPC would better exercise its functions and powers according to established procedures and systems. This will help further develop democracy and enhance work efficiency.

In addition, the Seventh NPC and its Standing Committee have also raised the degree of openness. Beginning from the second meeting of the Seventh NPC Standing Committee, press briefings were held before the standing committee held a meeting. In the press briefings, Chinese and foreign reporters were told about the meeting agenda and arrangements.

The Political Consultation System Which Is Being Improved

Like the people's congress system, the Chinese People's Political Consultation Conference [CPPCC] is also an important element of democratic politics with Chinese characteristics. The CPPCC is composed of members from various democratic parties, mass organizations, and representatives of various social circles and various nationalities. Through regular meetings, as well as consultation and dialogue, and through the submission of motions, the CPPCC members are able to exercise their democratic rights in various forms. Many of their opinions and proposals have been accepted by the CPC central leadership and the State Council. Some sharp criticisms have attracted serious attention. In order to bring the role of the CPPCC into better play, in recent years, the CPC Central leadership has formulated a series of relevant policies for promoting the work of the CPPCC. After the national forum on the work of local CPPCC committees in 1986, the CPC Central Secretariat relayed and issued the "Report on the National Forum about the Work of the Local CPPCC Committees," explicitly pointing out the need to solve many problems existing in the work of the CPPCC and greatly promoting the work of the CPPCC. In early 1989, the CPPCC National Committee formulated the "Interim Regulations on Political Consultation and Democratic Supervision," thus making a step forward in regularizing and institutionalizing the work of the CPPCC. Late last year, the CPC central leadership issued the document entitled "Opinion on Maintaining and Improving Multiparty Cooperation and Political Consultation System Led by the CPC," stressing that this system is a basic political system in China.

Corresponding to the new developments and new conditions of the work of the CPPCC, the CPPCC local committees have made substantial adjustments in recent years. In June 1988, the CPPCC National Committee reorganized the 15 work groups and three committees into 14 special committees, which organize the members to carry out regular activities under the leadership of the standing committee and the chairmanship meeting. Such structural adjustment helped consolidate extensive relations among the members, promoted the CPPCC's cooperation with various government departments through carrying forward democracy, and strengthened the function of the CPPCC in conducting political consultation and democratic supervision.

Thanks to the efforts of all quarters concerned, the CPPCC has been expanding its influence in the state political life and is playing an increasingly greater role. Now, major state affairs, including the making of major policies and arrangements, the government work report, the state budget, the drafts of important laws, and the nomination of state leaders, are all discussed by the CPPCC beforehand.

In light of the requirements put forward by the Second Session of the Seventh CPPCC National Committee, the CPPCC National Committee actively implemented the "Interim Regulations on Political Consultation and Democratic Supervision" and made an effort to unfold various activities to promote political consultation and democratic supervision around the central task of economic adjustment, rectification, and in-depth reform. Through their regular meetings, the CPPCC members have put forward many constructive opinions on implementing the policy for improving the economic environment, rectifying the economic order, and carrying out in-depth comprehensive reform. The special committees of the CPPCC National Committee have made very many deep-going investigations and studies, and have put forward many useful proposals to the government leading organs. In August 1989, through deep-going investigations, the CPPCC National Committee held a forum on the agricultural issue and extensively discussed China's current agricultural situation and various issues related to agricultural development. According to the opinions expressed at this forum, the 21st chairmanship meeting of the CPPCC National Committee submitted a document entitled "Opinions and Proposals on Agricultural Development" to the CPC Central Committee and the State Council. This was highly valued by the leaders of the CPC Central Committee and the State Council.

The CPPCC National Committee has also played an active role in developing foreign relations and in promoting the motherland's reunification. Last year, it sent five delegations to visit foreign countries and also received five groups of foreign visitors. It cooperated with other departments in organizing more than 20 cases of foreign activities. It established organization-to-organization relations with Syria's National Progress Front and North Yemen's Consultation Assembly. In the past year, the CPPCC also received six visiting groups

composed of Taiwan, Hong Kong, Macao compatriots or Overseas Chinese with a total number of more than 220 people. Through these people-to-people diplomatic activities, the CPPCC made contributions to promoting the motherland's reunification cause and to safeguarding world peace.

Facts show that the political consultation system in China is effective and feasible, and is able to fully carry forward socialist democracy. This original political system is different from the parliamentary and multi-party system in the Western countries, and it is completely suited to China's national conditions. The CPPCC has traversed a brilliant course of 40 years. When reviewing its history, we can more clearly see that the multiparty cooperation system led by the CPC was not derived from the will or conception of a certain person or a certain party; instead, it was formed and developed naturally in the long practice of revolution and construction. Maintaining and perfecting this system is the CPC's constant position and practice, and is also the constant position and practice of various democratic parties. In the past 40 years, through the organizational form of the CPPCC, various political parties, mass organizations, and representatives of various social circles and various nationalities jointly discussed and decided the state's important internal and external affairs. In this process, various parties also cultivated the fine tradition of, and accumulated rich experience in, supervising each other, carrying out cooperation, and conducting political consultation. Such tradition and experience were fully reflected in the "CPC Central Committee's Opinion on Maintaining and Improving the Multiparty Cooperation and Political Consultation System Led by the CPC."

Li Peng Addresses Baoshan Project Commencement

OW2304012490 Shanghai City Service in Mandarin
0900 GMT 17 Apr 90

[Report entitled: The Baoshan Iron and Steel Complex Holds Meeting To Celebrate Commencement of Commercial Operation of its Continuous Cold-Rolling Casting Unit and Load Test of its Hot-Rolling Unit; by station reporters (Chen Duzhi) and (Jiang Bingmiao); from the "News and Weather" program]

[Excerpts] [Announcer] Dear listeners, the cheers of the jubilant crowds mingled with the festive strains of music accompanied by drumbeats signaled more new achievements scored by the Baoshan Iron and Steel Complex project in its construction, which has attracted the attention of people from all over the world. All those who work for the Baoshan Iron and Steel Complex, together with party and state leaders, including Premier Li Peng, joyously celebrated the commencement of commercial operation of the continuous cold-rolling casting unit and the load test of the hot-rolling unit of its second phase project today.

The Baoshan Iron and Steel Complex is the largest construction project in our country. Its construction has

been carried out in two phases. Construction of the first phase was completed in September 1985. [passage omitted]

[Begin recording] [Unidentified master of ceremonies] Dear leaders, guests, comrades, and friends, the meeting celebrating commencement of commercial operation of the continuous cold-rolling casting unit and load test of the hot-rolling unit of the Baoshan Iron and Steel Complex will begin now. [end recording]

[Announcer] The celebration meeting was presided over by Huang Ju, vice mayor of Shanghai municipality. Minister of Metallurgical Industry Qi Yuanjing was the first to address the meeting. [passage omitted on Qi's speech]

[Begin recording] [Unidentified master of ceremonies] Let us now warmly welcome Premier Li Peng to make a speech. [applause]

[Li Peng] I am extremely delighted to be able to participate in the celebration of the commencement of commercial operations of the continuous cold-rolling casting unit and test running of the hot-rolling unit of the second phase project of the Baoshan Iron and Steel Complex and meet our comrades here for the first time today. [applause] The second phase project of the Baoshan Iron and Steel Complex is a major project that is closely watched with interest by all the people in our country. Completion of the project will increase the supply of some superior-quality steel products, which are in short supply and are badly needed in our country; improve the product mix of the iron and steel industry in our country; and upgrade the production technology of the iron and steel industry in our country to a new level. It is very significant for us to work successfully in our current drive to improve the economic environment and rectify economic order, boost the capability of our country to strive for regeneration through self-reliance, and support the socialist four modernizations in our country.

The current achievements scored are a result of the joint efforts made by the workers, engineering and technical personnel, and cadres who took part in the four construction and production jobs recently. They are also a result of close cooperation with foreign experts. Here, on behalf of the Central Committee of the party and the State Council, I would like to offer warm congratulations to all the comrades who have participated in construction of the second phase project of the Baoshan Iron and Steel Complex. [applause] I wish to express sincere appreciation to the foreign enterprises, experts, and friends that have cooperated very nicely with us. [applause]

The achievements scored by the second phase project of the Baoshan Iron and Steel Complex are a product of reform and opening to the outside world. This project has assimilated the advanced technology and [words indistinct] experience of the iron and steel industry abroad. The achievements are also a product of our efforts to strive for regeneration through self-reliance,

pooling the wisdom and hard work of our country's workers, technical personnel, and cadres. The achievements scored by the Baoshan Iron and Steel Complex are also inseparable from the energetic support and cooperation extended by all trades and professions across the country, and also are inseparable from the extensive support given by the people of Shanghai. The people of Shanghai have supported the construction of the Baoshan Iron and Steel Complex; the latter, in turn, brings prosperity to Shanghai and makes contributions to development in Shanghai.

Although the Baoshan Iron and Steel Complex has scored major achievements in the initial stage of the construction of its second phase project, arduous efforts are still needed comprehensively to accomplish all the tasks of the second phase project. It is hoped that you will continue earnestly to do a good job in carrying on the drive to improve the economic environment and rectify economic order, and in implementing the reform and open policy, [words indistinct] to win a complete victory in our construction of the second phase project of the Baoshan Iron and Steel Complex. The iron and steel industry needs to strive for greater development so we can achieve the great target of once more doubling our gross national product by the end of this century. In particular, it needs to upgrade to a new level its product range and product quality. Only by so doing can it meet the demand for iron and steel by all trades and professions. Realization of the development of the iron and steel industry in China in the next 10 years will depend mainly on our success in saving investment costs, shortening the construction period, and gaining high efficiency through efforts to exploit potential and achieve renovation and technical transformation on the part of existing enterprises. The Baoshan Iron and Steel Complex is endowed with excellence in this respect. It is in a position to make even greater contributions to the development of the iron and steel industry in the future.

Meanwhile, we are also considering building a number of advanced iron and steel production centers. We are prepared further to strengthen cooperation with foreign firms and countries in the field of the iron and steel industry. The party and the state hope that the quality of products made by the Baoshan Iron and Steel Complex are superior, that its production technology is high-level, that its management experiment is advanced, and that its economic returns are good. Moreover, they hope that you will achieve outstanding success in persisting in socialist orientation of enterprises and in building both material and spiritual civilizations to give full play to the role of large complexes as the backbone in the national economy and make due contributions to modernizing the iron and steel industry in our country. [applause] [end recording] [passage omitted]

[Announcer] Among those who attended the meeting were Kang Shien, Peng Chong, Zou Jiahua, Gu Mu, (Han Guang), He Chunlin, (Li Fengye), Hao Jianxiu, He Guangyuan, Gu Xiulian, Jiang Xinxiong, Chen Jinhua, (You Zhongli), Li Ming, (Lin Zhongtang), Li Lanqing,

Zhou Daojiong, Zhang Xiao, and Shi Qirong. Also present at the meeting were Shanghai leaders Zhu Rongji, Ye Gongqi, Xie Xide, Wang Liping, and Liu Zhenyuan. The ambassador of the FRG to China and its consul general in Shanghai also participated in the celebration meeting.

Li Peng Inspects Dazhong Automobile Company

OW2304004090 Shanghai City Service in Mandarin
2200 GMT 18 Apr 90

[Announcer-read report filed by station reporters (Chen Tuzhi) and (Jiang Bimiao) on the fifth inauguration anniversary celebration of Shanghai's Dazhong Automobile Company]

[Excerpts] Dear Listeners: Chinese workers and staff members of Shanghai's Dazhong Automobile Company solemnly celebrated its fifth inauguration anniversary today. They parked various colored Santana sedans they manufactured to the left of the meeting place. The sedans and thousands of balloons add radiance and beauty to each other. These automobiles represent new achievements by China's automobile industry as well as reform and opening to the outside world.

Leading comrades such as Li Peng, Kang Shien, Peng Chong, Zou Jiafa, Gu Mu, and (Hang Guang) attended the celebrations of the company. They also inspected the company.

The celebration was presided over by Huang Ju, vice mayor of Shanghai Municipality. [passage omitted]

[Begin recording] [Huang Ju] Now, let us warmly welcome a speech by Premier Li Peng of the State Council. [applause]

[Li Peng] Ladies and gentlemen, comrades, and friends:

I am very pleased to see many people gathering here to celebrate the fifth inauguration anniversary of Shanghai's Dazhong Automobile Company. Thanks to the common efforts by the governments of the PRC and the FRG, as well as the cooperation of both Chinese and German companies, a modern automobile plant is standing before us. The completion and operation of Shanghai's Dazhong Automobile Company once again prove that cooperation based on the principle of equality and mutual benefit between China and other countries of the world is honest. China's policy of opening to the outside world is firm and unshakeable. [applause] [end recording]

Qiao Shi Visits Jiangxi on Inspection Tour

OW2304064990 Beijing XINHUA Domestic Service
in Chinese 0524 GMT 22 Apr 90

[By reporter Yang Mushou (2799 2606 1108)]

[Text] Nanchang, 22 Apr (XINHUA)—During an inspection tour of Jiangxi, Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC

Central Committee, pointed out: So long as our cadres at various levels forge close ties with the masses, closely rely on them, and bring into play their enthusiasm and creativity, we will be able to overcome the current difficulties in our work and maintain social stability.

Qiao Shi inspected Jiangxi from 16 through 21 April amidst the spring drizzle. Accompanied successively by Mao Zhiyong, secretary of the provincial party committee, and Wu Guanzheng, provincial governor, Qiao Shi inspected the Jiujiang Oil Refinery, Jiujiang Port's foreign trade wharf, some porcelain factories in Jingdezhen, Yujiang Wood Carving Factory, Hongxing Land Reclamation Farm, Jiangxi Cotton Textile Printing and Dyeing Mill, and some rural factories and villages on the outskirts of Nanchang City. While chatting with workers and peasants, he inquired about their production situation and everyday life. In Nanchang City, Qiao Shi viewed the Memorial Hall of One August Nanchang Uprising. He invited cadres of the provincial, city, county, and other relevant departments to attend a discussion on further implementing the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee, intensifying party building, and promoting a clean government and the public security and judicial work. After listening to briefings on the work of Jiangxi Province, he spoke of ways and means to build close ties with the masses, improve party workstyle, overcome the current difficulties in the work, and maintain social stability.

Qiao Shi said: Stability is the overriding task of the present. To maintain social stability, it is necessary to uphold the stability and continuity of the policies. The basic line of "one central task and two basic points" and a whole set of principles and policies, formulated by the party since the Third Plenary Session of its 11th Central Committee, have brought about material benefits to the Chinese people and won their profound support. This basic line and these principles and policies must be carried out steadfastly. The current national situation is stable because the broad masses of workers, peasants, cadres, and intellectuals are yearning for stability. However, we are facing a pressing problem of strengthening the links between the party and the masses in order to achieve a sustained, stable, and harmonious economic growth.

Qiao Shi said: To maintain close contacts with the masses is our party's fine tradition. A basic viewpoint of historical materialism holds that the people are the makers of history. Proceeding from this viewpoint, we should never divorce ourselves from the masses. So long as we persist in the line of coming from the masses and going to the masses, concentrate on and adhere to the correct opinion of the majority of people, and promptly identify and solve problems in the course of practice, we can put our party in an unassailable position forever. At the present, we should begin with solving pressing problems existing in the relations between the party and the masses, performing concrete service for them in order to forge flesh-and-blood ties between the party and the

masses. This year, various localities have already dispatched or will dispatch large numbers of cadres to the grassroots. Comrades who are sent to the grassroots may develop various ways and means for building closer ties with the masses. However, comrades should guard against formalism, and still more against adding burdens to the masses. Comrades should help the grassroots solve a number of pressing and practical problems that can be resolved.

Qiao Shi pointed out: Generally speaking, our party's workstyle is fine, and the overwhelming majority of party and government functionaries are clean and honest. However, a small minority of them who are divorced from the masses consider only individual or local interests. The thinking and workstyle of a very small number of them have become corrupt. Although they constitute only a tiny fraction, they have produced grave harm and adverse effects among the masses, and damaged the image of the party and the government. Such functionaries, once brought to light, must be punished severely according to party discipline and state laws, and they must by no means be treated leniently. Otherwise, we will lose faith among the people.

Stressing, in particular, the importance of intensifying the building of grassroots party and government organizations, Qiao Shi said: Grassroots party and government organizations are the umbilical cord linking the party with the masses. The party depends on them in the implementation of its line, principles, and policies; they depend on grassroots party organizations. The maintenance of social stability requires the efforts of the whole party, and it is an arduous task laid on the shoulders of comrades on the public security and judicial front. However, what is more important is that we must rely on grassroots organizations in promptly dissolving a great deal of contradictions among the people when such contradictions are still in the embryo stage.

Qiao Shi praised Jiangxi for overcoming serious natural disasters and reaping a bumper agricultural harvest last year through self-reliance and hard work and with the support and assistance from the relevant central departments. He also spoke highly of the province's achievements in casting off poverty and becoming prosperous. Qiao Shi said: So long as we bring into play the initiative of the central and local authorities and fully rely on the masses, we will certainly be able to surmount the current difficulties.

Qiao Shi said: China's policy of reforms and opening to the outside world will not change. The central authorities have recently taken a number of practical measures to accelerate the pace of reforms and opening to the outside world. Although Jiangxi is not a coastal province, it maintains close ties with some coastal provinces and cities. The further opening of the coastal region will surely benefit Jiangxi's development. Jiangxi should do a still better job in the work of all fields so as to keep abreast of the new situation. Qiao Shi said: Jiangxi is relatively abundant in natural resources and still has

more than 50 million mu barren land and hilly areas that can be developed and utilized. The province has great potential. So long as the province continues to uphold the basic line of "one central task and two basic points," Jiangxi will definitely achieve even better growth in the 1990's.

Tian Jiyun Urges Preparations Against Floods

*OW2104141790 Beijing XINHUA in English
1159 GMT 21 Apr 90*

[Text] Beijing, April 21 (XINHUA)—Vice-Premier Tian Jiyun today urged local areas to make good preparations to fight against flood and drought in light of the abnormal weather conditions at this time of the year.

Tian, also head of the state flood control headquarters, said at a conference that local areas should not trust their luck or slacken vigilance at any time.

The vice-premier said governments at various levels should check dams and dykes carefully before the flood season and carry out various measures to ensure the safety of large dams, rivers and large and medium sized cities.

The vice-premier urged local areas to strengthen the responsibility system in flood control. He said officials newly selected to lead the work should familiarize themselves with flood control work as soon as possible.

He said various government organizations should implement laws concerning water supervision and dredge rivers to prevent China's major rivers from flooding.

Li Tieying, at Meeting on College Party Work

*OW2204170090 Beijing XINHUA Domestic Service
in Chinese 1315 GMT 16 Apr 90*

[Text] Beijing, 16 Apr (XINHUA)—The conference on building stronger party organizations in universities and colleges came to a close in Beijing today. Attendees of the conference maintained that, to make sure that universities and colleges will adhere to the socialist course, their party organizations should provide stronger leadership, make themselves stronger, and give full scope to the role of party organizations and party members.

Li Tieying, member of the CPC Central Committee Political Bureau, state councillor, and minister in charge of the State Education Commission, attended the closing ceremony.

Addressing the meeting, Lu Feng, head of the Organization Department of the CPC Central Committee [title as received], pointed out: Upholding the leadership of the CPC and building stronger party organizations in universities and colleges are essential for successful operation of Chinese-style socialist universities. We should attach greater importance to building stronger party organizations in universities and colleges and heighten our sense of urgency in this regard, considering it a

strategic project to educate students to become builders of socialism and successors to the socialist cause.

He said: Party branches in universities and colleges are a weak link nowadays, and they must be reinforced so that they will have stronger fighting power. These party branches must organize their members; intensify their education, management, and supervision; assign them to do mass work; and establish a system governing their individual responsibilities. These projects require hard work.

Lu Feng said: We should encourage all party members and people in society as a whole to attend to the work in universities and colleges. Our colleges are really part of society and their work is relevant to society in numerous respects. Thus, doing a good job in colleges requires the coordination and support from all social quarters. First, provincial and municipal party committees must provide stronger leadership over this project. This includes establishing special organs in localities where colleges are concentrated to take charge of party affairs in colleges. Under the centralized leadership of provincial and municipal party committees, the working committees, organization departments, propaganda departments, and education departments of universities and colleges should share their responsibilities and work in coordination with one another so that party organizations in colleges can be built to become stronger organs.

He Dongchang, vice minister in charge of the State Education Commission, also addressed the meeting. He said: In addition to administrative affairs, leading cadres of universities and colleges should also understand some Marxism and Leninism. By no means should they be immersed in their own work and pay attention to nothing else.

He Dongchang said: In order to provide stronger party leadership, one important thing party organizations in universities and colleges must do is to intensify ideological education among party members and make them understand the importance of taking over all spheres in colleges with Marxism and Leninism. We should, by sponsoring study of Marxism and Leninism and by carrying out earnest and meticulous ideological education, help some comrades do away with their misconceptions and rally the vast number of teachers and students around the party.

He Dongchang also pointed out: Since most of the party members in universities and colleges are intellectuals, the endeavor of building stronger party organizations in universities and colleges should also have the support from workers and peasants and take the actual needs into account. Giving lectures on Marxism and Leninism in classrooms is not enough; we should go to the masses and follow the course of integrating our work with production.

The five-day conference was cosponsored by the Organization and Propaganda Departments of the CPC Central Committee, and the leading party group of the State Education Commission.

'June 4th Tragedy' Viewed as 'Inevitable'

HK2004143990 Hong Kong TANG TAI No. 20
14 Apr 90 pp 7, 8

[Article by Ho Bo-shi (Beijing) (0149 0130 2457): "Struggle During the Funeral of Hu Yaobang Was Intense—The June Fourth Tragedy Was An Inevitable Outcome"]

[Text] The death of Hu Yaobang triggered a large-scale democratic movement. To be frozen in three feet of ice is not due to the cold of one day. His death served only as an immediate cause. Judging from some of the high-level actions and words in the week between Hu's death and his memorial service, we can see that, although students attempted to press for democracy taking the advantage of memorial service for Hu Yaobang, the authorities had predicted that students would "make trouble" and had prepared to adopt tough measures. Deng Xiaoping, Yang Shangkun, Wang Zhen and some others were prepared to resort to violence against students... The above material was provided by the secretary of a certain highranking personage. He went through many of the events that occurred in the week. He had accurately recorded many of them. In the form of a diary he recalled some of the events concealed from the outside world, confirmed much of the "grapevine" rumor circulating in Beijing Municipality at the time. From these diary entries, we can see that, first, when Hu died, Deng Xiaoping immediately felt that the situation might turn nasty; second, to take credit on themselves, Beijing Municipal CPC Committee has added fuel to the flames in events leading to the June Fourth carnage; and third, Wang Zhen has played the worst possible role: Sowing dissension and fomenting discord.

The 15th of April

This morning Hu Yaobang passed away.

In accordance with regulations, when Hu Yaobang died, his death must first be reported to Deng Xiaoping and the five Political Bureau Standing Committee members, who would study the political impact and possible problems resulting from his death, and, afterward, would decide the time and forms in which the death was announced in newspapers.

The same day the five Political Bureau Standing Committee members called a meeting to discuss matters concerning Hu Yaobang. According to customs, Zhao Ziyang would make a suggestion, on which the other four standing committee members give their opinions. If a unanimity is reached and reported and agreed to by Deng Xiaoping, it will be carried out. Zhao Ziyang suggested releasing the death news at once and

announcing Hu's illness truthfully. None of the other standing committee members objected.

In the afternoon Deng Xiaoping's office communicated Deng's opinion: "The funeral must be done properly and should not be postponed. I agree with the opinion of the five standing committee members." Deng's office also said that Deng would attend the memorial service, but there was to be no funeral committee.

Other old men also communicated their opinion. Yang Shangkun: "Take proper care of the family members." Wang Zhen: "Take precautions against anybody exploiting this issue."

The 16th of April

The first big character poster appeared at Beijing University, and the first wreath on Tiananmen Square.

On that day Deng Xiaoping played bridge as usual. At the bridge table Deng asked the opinions of his long-time bridge partners on the death of Hu Yaobang. The three partners remarked respectively:

- A pity.
- There may be unpredictable storms and clouds.
- Take good care of your health, Comrade Xiaoping.

Deng Xiaoping himself remarked: I hope that there would not be another Tiananmen incident. The bridge partner from Beijing Municipal Committee said: "Comrade Ximing asked me to relay a message: He is well prepared." Another bridge partner, a State Councillor, said: "This should be handled in a cool fashion!" Another said: "Only by being tough can we afford to be soft."

The 17th of April

Chen Yun lost two night's sleep when he learned of Hu's death. The Shanghai Chen Yun's Office was afraid that Chen's health may deteriorate and, fearing for the responsibility incurred, reported this to the central authorities. The medical unit had exercised level one health-care program. This was reported to Deng Xiaoping and the five Standing Committee members.

The Standing Committee began discussing evaluations on Hu Yaobang. Zhao Ziyang gave high evaluations. Hu Qili supported Zhao's evaluation and considered it should be even higher. Qiao Shi said, the higher the evaluation, the weaker the student movement; it would save a lot in public security expenses. Both Yao Yilin and Li Peng said: Whatever Xiaoping says.

By now the student movement has developed fairly briskly.

The 18th of April

The State Security Ministry and Public Security Ministry jointly submitted a report in which they inquired whether supervision should be put on "political dissenters" and, if so, the way. Qiao Shi signed and wrote

personal remarks on it. Li Peng signed his name and wrote his opinion. Yao Yilin wrote "yes" and gave his signature. Zhao Ziyang circled his name on the report in thick red ink. Hu Qili wrote: "Read" and signed his name.

The first draft of a memorial speech for Hu Yaobang was completed and circulated for opinions. Bo Yibo, Wang Zhen, Peng Zhen and others believed that Hu's errors should be thrashed out and not evaded. Wan Li and Li Xiannian considered that now that the person was gone, the speech should talk about his lifelong merits; that Yaobang was a good comrade. Chen Yun did not respond. Chen Yun's office said that the leader was in poor health and did not read the draft.

The 19th of April

Hu Yaobang's wife Li Zhao reported her opinion on the draft speech: One, re-evaluate Hu Yaobang's resignation, and two, his ashes are to be buried in Communist Youth League's City in Jiangxi. The second draft of the memorial speech for Hu Yaobang completed.

The 20th of April

Deng Xiaoping's opinion was conveyed by his office. There were, chiefly, three points: "One, full presentation of Hu's merits; two, there is to be no mentioning of the resignation affair; and three, the funeral service would be presided over by the State President, and the General Secretary will read the memorial speech. My throat is not well, I will not read the speech. But I will be present."

Wang Zhen visited Deng Xiaoping at his home, told Deng that students were accusing him, and suggested that the hand be not soft; that if things were taken in a cool fashion there would only be more problems, and that, if handled in a resolute manner, things could be resolved once and for all. Xiaoping nodded. Wang Zhen then told the Political Bureau about Xiaoping's instruction. Zhao Ziyang feels that the pressure on him is extremely great. This evening the public security armed police force will take action. Zhao Ziyang has stressed that there is to be no bloodshed, that the action should be exploratory in nature.

The Xinhua incident. And the official conclusion: Public security force and armed police have the power to control the situation. Based on this conclusion Deng Xiaoping instructed that "for the moment troops not be deployed."

The 21st of April

There were two items on the political bureau enlarged meeting's agenda: One, the final draft of Hu Yaobang's memorial speech and procedures for the memorial service; and two, the problem of students making trouble. The memorial speech was basically drafted according to Deng's opinion and so not much discussion was needed. But when the problem of student trouble was brought up the session was thrown into disarray.

Zhao Ziyang presided over the meeting, and was the first to state his opinion: "Resolving the problem through dialogue."

Wang Zhen banged on the table and babbled away. Nobody understood what he had said. Yang Shangkun explained for him: What Wang Zhen meant was, at this moment talks have become useless. If we do not resort to cudgel now, later we will have to use tanks. Yang then said he himself believed that we should employ both soft and tough measures. Xiaoping's stand is that, if you are not tough this time you will not ride out the difficulty; that you can wait and see if you do not believe it.

Wan Li said: The two fists should not hit each other. Also please tell Xiaoping that the situation is not that bad! Reports on the situation for Comrade Xiaoping must be true. Ask anybody, ask the whole country, how many are there who think that the situation has gone this bad?

Wang Zhen spoke. A quarrel broke out.

Yao Yilin and Li Peng revealed their stands. They would grasp well economic work with all their efforts; the problems with students could not be taken lightly, and if not handled properly the economy might be affected, by then the problem would have grown serious: the whole country might be affected.

Qiao Shi said, the most important thing is that tomorrow may pass in peace.

The meeting adopted the motion that, during the Hu Yaobang's memorial service, Tiananmen Square will be put under martial law, and will remain so until the time is fit to open it again, as in the case of Tibet. Troops will seal off the square at 0700 tomorrow morning, and will clear the square.

Yang Shangkun went to Deng Xiaoping's home to report to him on the development. Deng Xiaoping asked, what will we do if things turn bad even after the square is under control? Yang Shangkun replied: "Put the entire city under martial law then." Deng Xiaoping said: "Consideration must be given to the whole country." At this time Yang Shangkun produced a document for Deng Xiaoping's signature. Deng asked what it was about. Yang Shangkun said: deploying armed police force and putting the Central Guard Troops on emergency state.

The 22d of April

Hu Yaobang's memorial service. The troops planned to seal off and clear the square at 0700. But students went into the square at midnight. The authorities knew that students had advanced their actions but did not order paramilitary police to advance their action.

After the memorial service, Deng Xiaoping saw the gatherings of students on the square and asked what had happened. Qiao Shi told him the truth. Deng Xiaoping's

face changed color. Wang Zhen came behind Xiaoping and told him, they accuse us of being dictators, and you as an emperor.

With this word the dice was cast.

Passes Denied to Hong Kong News Media

Official Reason: 'Too Busy'

HK2104003490 Hong Kong HONGKONG STANDARD in English 21 Apr 90 p 1

[Text] China has stopped processing applications from foreign journalists based in Hong Kong who want to cover events on the mainland between April and June.

The official reason is that the Chinese officials are "too busy".

But analysts see it as part of a widening curb on foreign journalists' activities before the first anniversary of the June 4 military crackdown.

Rejected applicants have been told to apply again in July.

Applications to cover events in China this month from two journalists of the FAR EASTERN ECONOMIC REVIEW and a correspondent of Associated Press were rejected by the Hong Kong branch of the Xinhua News Agency.

An official from the agency said yesterday that the Foreign Affairs Ministry had instructed them to stop processing foreign media applications between mid-April and June.

"The local authorities informed the ministry that they are currently very busy with their local affairs and don't have time to meet the press," the official said.

Mr Philip Bowring, editor of the FAR EASTERN ECONOMIC REVIEW, said Xinhua had not given any formal explanation for the rejection.

"I believe it was due to the recent clampdown on foreign journalists' activities in China in the run up to the June 4 anniversary," he said.

Mr Dan Biers, of the Associated Press, who had applied to visit Hainan this week was turned down by Xinhua for similar reasons.

"The Chinese authorities said the Hainan officials had been too busy and would not have time to see me until July," he said.

Miss Emily Lau, chairman of the Hong Kong Journalists Association, accused Beijing of trying to bar foreign journalists from reporting sensitive news about anniversaries connected with the June 4 incident.

"Beijing first targeted foreign journalists because it regards foreign media as troublemakers. But I worry that Beijing's axe would soon be extended to the Hong Kong media."

Strictures Assailed by Press

HK2304015990 Hong Kong HONGKONG STANDARD in English 23 Apr 90 p 14

[Editorial: "World Must Be Told Full Story"]

[Text] Although active student protest has receded in China, the undercurrents of dissent remain. The tumultuous energy of last year's demonstrations has been replaced by a new climate of fear and watchfulness. And it's not only would-be protesters who are being watched. The Beijing authorities are keeping a wary eye on foreign correspondents as the countdown continues towards the first anniversary of the June 4 massacre.

It was revealed last week, for example, that China had stopped processing requests from Hong Kong-based journalists for permission to cover events on the mainland between April and June. Unsuccessful applicants, including representatives of the FAR EASTERN ECONOMIC REVIEW and Associated Press, were advised to try again in July.

It is clear that Beijing's hardliners are still smarting from the coverage by the foreign media of the pro-democracy movement last year. Television pictures beamed around the world brought China's political crisis into living rooms everywhere, and the dramatic and bloody events of June, broadcast live, did much to turn the Beijing leadership into an international pariah.

Stalinism is supposed to be a spent force, but the news has not yet reached Beijing. Deng Xiaoping has never accepted the necessary political corollary of his economic plans, including the espousal of greater openness for Chinese society.

The adoption in recent years of an open-door policy was due in part to a deliberate policy by the communist leaders and in part to the pressures of the times. Mr Deng realised that if his country was to compete with the West in terms of living standards and economic growth, certain screws would have to be loosened.

At the same time, though, another force has also been at work: something broader, less tangible, and less deliberately planned. It was, of course, the international communications revolution.

In his 1982 book CHINA: ALIVE IN THE BITTER SEA, American journalist Fox Butterfield wrote: "Censorship in China is both more subtle and more pervasive than merely tinkering with a foreign correspondent's copy. It is designed to be so all-encompassing that it blots out facts of life that Deng and the politburo do not want to exist."

Harassment and intimidation of foreign journalists has been intensified since then. China's relentless dictatorship will attempt once again to seal off the Middle Kingdom. Mr Deng's praise for the PLA [People's Liberation Army] as "China's Great Wall of iron and steel" testifies to the fortress mentality.

But it will be immeasurably more difficult than it was 20 years ago to prevent the truth from circulating within China. Terror may rule for now. But television and computer technology is finally a democratising force, because knowledge is power.

This latest crackdown on foreign press coverage is yet another indication that the Government is still concerned that the events of last May and June could be repeated.

After Tiananmen, there was a great divergence of opinion as to scale of the killings as Beijing sought to muzzle the media. This time around, speculation might be used to gauge what is happening in the country if the Chinese authorities continue to refuse visas to journalists. Speculation, of course, does no one any good and is the stuff of rumour and innuendo. At this critical juncture in China's history, an accurate picture of events and trends in the country would be of more value than a story half-told.

Dissident Leader Eschews Publicity, Works Quietly

HK2204035690 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 22 Apr 90 p 9

[Text] Li Lu, the second-in-command in Tiananmen Square and a key player in leading protesters outside the square in the early morning of June 4, has chosen to work quietly and resolutely on the cause which has absorbed his energies and time since his July escape—human rights abuses in China.

He has not appeared on television vowing to "fight until the end" for individual freedom or vengeance for his classmates killed by Chinese troops; this 24-year-old seems to be aiming for change at a slower pace.

It is a pace more in keeping, perhaps, with the slow, yet inexorable changes which have swept—and continue to sweep—his ancient country.

Speaking during an exclusive interview from his home in New York City, where he is studying political science and economics at Columbia University, the former Nanjing University physics student says he prefers to be left alone from the time being.

"My exclusion is by choice. I believe that if you work hard, and your work is good, people will eventually listen."

He has not always been so reticent. Mr Li, the only Nanjing student on the Chinese authorities most wanted

list, left his university last April to join his old schoolmate, Mr Wuer Kaixi, in Beijing when he saw the opportunity developing for a large-scale people's movement.

He quickly became one of the leaders in the square, and was featured in newspapers worldwide when he married his college sweetheart in a dramatic ceremony in Tiananmen Square.

But that moment of publicity soon paled beside the more poignant, and less positive, images China gave to the world's reporters and cameramen over the following weeks, and Mr Li was forgotten.

Mr Li is neither bitter nor jealous of the column inches and television airtime devoted to his friends. He is too busy with the many projects he has going at the moment: finishing the final manuscript of his autobiography while continuing his work with the fledgling writing workshop on human rights he has helped establish at Columbia University.

He, and the independent human rights group he co-founded, will continue to participate in international United Nations meetings and cooperate with human rights organizations worldwide.

Mr Li says human rights in China is one issue that Westerners still do not understand. "The massacre was not the first, nor the worst thing to happen to Chinese. And it won't be the last," Mr Li said in English.

The fundamental injustice is that the Chinese have never been allowed to think for themselves, or to become individuals under the past 40 years of communist rule.

"The nature of the (Chinese) system, the whole idea, is to kill the individual."

Spiritual incarceration coupled with long periods of official intimidation and actual imprisonment in some of China's labour camps has been the lot of Mr Li's family. A descendant of intellectuals, his life has been measured in political campaigns which saw the execution of his grandfather, and the imprisonment of his parents.

Mr Li said he had tried to capture these years and the way of Chinese suffering in his autobiography, to be released by the autumn. The book only deals in part with last spring's demonstrations, but Mr Li does not consider them a turning point.

These demonstrations gave his people their first taste of freedom. Unless Westerners put this into perspective and realise the Chinese never have known this freedom before, they will not be able to understand the jubilation or the significance of China's movement, he says.

Mr Li would like other exiles to do the same. He is one of the organisers of the Chinese Human Rights Writing

Workshop at Columbia—a university-affiliated, non-credit programme specifically geared to Chinese students or citizens. Participants are encouraged to write about human rights abuses that they or their families have suffered under the Chinese Government.

He plans to help the Paris-based Federation for a Democratic China (FDC) in human rights issues.

Asked how long he would work and how long the Chinese people could wait, he paused to find the right words in English.

"There is no time limit," he said finally. "If you are in a prison and you know what freedom is, how long will you wait? Until you get out of prison and have freedom."

"You wait for that, however long it takes."

Activist Hua Xiazhi Says Underground Party Formed

HK2204075890 Hong Kong MING PAO in Chinese
22 Apr 90 p 20

[Report: "Student Movement Activist Hua Xiazhi Fleed China and Intends To Seek Political Asylum in Hong Kong"]

[Text] [No dateline as published] A student called Hua Xiazhi [5478 1115 1311], who claims to have been an activist in the Beijing democratic movement last June, has arrived in Hong Kong through an illegal channel and is considering seeking political asylum from the Hong Kong Government. The student also declared that a "China Prosperity and Democracy Party" [zhong hua fu qiang min zhu dang 0022 5478 1381 1730 3046 0031 8093] had been founded by herself with a view to putting an end to the CPC's one-party dictatorship.

Hua Xiazhi met with reporters from a few newspapers by appointment at the lawn bowling field of Victoria Park yesterday afternoon. She refused to be photographed by reporters at first, but later agreed to have her picture taken after putting on a pair of sunglasses.

She also refused to disclose information about the way she fled into Hong Kong, when she arrived, how long she is going to stay, and where she is planning to go. She only said that she will probably seek political asylum from the Hong Kong government and will return to the mainland when China needs her.

Hua Xiazhi said she was admitted into the Faculty of Economics of Beijing University to read economic management in 1986 and she led a "united hunger strike petition group" during the Beijing students hunger strike last year. The group was later reorganized under the name of "China Prosperity and Democracy Party."

Hua Xiazhi told reporters that the political party was founded last month and has members both at home and abroad. But she refused to disclose any more background information, the founding date, or the membership of the party.

Culture Ministry Undergoes 'Massive' Purge

HK2304013890 Hong Kong TANG TAI in Chinese
No. 20, 14 Apr 90 pp 4-5

[Article by Chang Yuan-hsiang (1728 5373 7449) and Wang Hsiao-tung (3769 2556 2639) (Beijing): "A Detailed Account of the Massive Purge of the Ministry of Culture"]

[Text] During the sessions of the National People's Congress and the Chinese People's Political Consultative Conference in March, He Jingzhi, one of the "old leftists," who "had retired because of illness" during the Zhao Ziyang era, told a Hong Kong reporter that not a single cadre had been purged from the Ministry of Culture after the 4 June Incident. His remark sounded like a strong affirmative. But what is the actual fact? According to information we received from many sources, the Ministry of Culture has undergone an earth-shaking massive purge which involves a large number of people.

The Ministry of Culture Has More Staff Members Supporting the Student Movement Than Any Other Department

Cultural organizations in Mainland China have undergone several rounds of purge since the 4 June Incident. The authorities have forced everyone to confess and to inform against each other. It has been discovered that about 2,800 staff members of the head office of the Ministry of Culture and other organs directly under the ministry had taken to the street to demonstrate or had donated money in support of the students, and they had been directly involved in or had given support to the student movement on one to five occasions each.

The authorities have found that of these more than 2,800 staff members, more than 500 are cadres at the departmental level and more than 50 even hold posts at the bureau level. The head office of the Ministry of Culture and the organs directly under the ministry have about 20,000 staff members altogether. So the 2,800 people account for 15 percent of the staff. This proportion was the highest among all organs at the ministerial level in the country. Therefore the Ministry of Culture is no doubt one of the organs most deeply involved in the democratic movement last year.

In order to deal with this seriously affected organ, the authorities set up two groups after the 4 June Incident. One of them is the "Marxist-Leninist Political Theories Study Group," whose mission is to restore the old order in the ideological field and to actively launch an operation "against liberalization." The other group is an investigation team headed by some officials assigned by the central authorities, whose task is to find out everyone's role in the last student movement.

The "Marxist-Leninist Political Theories Study Group" is headed by Gao Zhanxiang, executive vice minister of culture, who is assisted by two deputy heads, Wang Jifu and Xu Wenbo. Wang is a vice minister of culture and

Xu is a member of the Central Commission for Discipline Inspection, and concurrently secretary of the party committee and member of the party group of the head office of the Ministry of Culture. The "study group" has eight other members, including Li Xifan, an expert in the study of "A Dream of Red Mansion" and executive deputy director of the research institute of literature and arts; Ai Qingchun, director of the personnel department of the Ministry of Culture; and Ma Weian, who has just replaced Yin Shixian as editor-in-chief of ZHONGGUO WENHUA BAO, the official newspaper of the Ministry of Culture. It is said that Ma Weian was nominated by He Jingzhi.

With the assistance of these two groups, the Ministry of Culture is now undertaking two tasks. The first task is to launch a drive to study Deng Xiaoping's views on literature and arts; and the second is the re-registration of party members within the ministry to be taken charge of by the investigation team and to be completed by May.

The investigation has encountered especially great difficulties this time, mainly because cadres of the Ministry of Culture show a very strong tendency of shielding each other. For this reason several rounds of investigation were made. The first round was held last September. The result did not satisfy the authorities as the staff of the ministry was indifferent to the investigation. So the deadline of the investigation was extended to the Spring Festival. But the result was still unsatisfactory and the authorities insisted on further investigation. A decision was made later on the re-registration of all CPC members to be finished by 1 May. So the investigation mission for the Ministry of Culture was carried on according to the same schedule.

Five Ways To Punish Party Members

Different examining procedures are applied to party members and non-party members respectively. In general, cadres who are not CPC members are required to submit only a written statement on their role in the event. As for party members, they not only have to confess the roles they played but must also undergo a screening process to declare their stand and to inform against each other. Those who are involved in cases of serious nature, such as those who were leaders or organizers of demonstrations, will be punished. There are five different types of punishment: 1) warning; 2) recording a demerit; 3) demotion; 4) removal from office; and 5) arrest. Also, party members and non-party members are subject to different punishment standards.

Few cadres have been arrested. It is said that a deputy director with the family name Tian of the music research office of the Research Institute of Literature and Arts was arrested in Shanghai on 9 June last year and has not been released up to now. The official "charge" against him is that after 4 June, in the Shanghai Conservatory of Music, he told people about what happened in Beijing on 4 June.

But numerous people have been demoted or removed from office.

ZHONGGUO WENHUA BAO, official newspaper of the Ministry of Culture, was accused of "having followed a wrong orientation for journalism" and encouraging its staff members to join demonstrations and donate money in support of the students during the student movement. For this reason, Yin Shixian, the newspaper's director, and Yan Gangyi, first deputy editor-in-chief and literary critic, were removed from office; deputy editor-in-chief Li Zhongyue managed to retain his post but was asked to make a self-criticism; while Ma Weian was appointed editor-in-chief.

Other personnel changes include the removal of Liu Zhanqiu from his post as deputy editor-in-chief of SHI KAN [Journal of Poetry] run by the China Association of Writers; the removal of Lei Da from his post as deputy editor-in-chief of ZHONGGUO ZUOJIA; the replacement of Lan Ling by Ding Zhenhai as head of the literature and art department of RENMIN RIBAO; and the removal of Shu Zhan from his post as deputy head of the same department.

Tian Han's Son Is Being Investigated

Meanwhile, the director with the family name Zhang of the Palace Museum under the jurisdiction of the Ministry of Culture, was also removed from office. It is said that, though out of Beijing on a business trip during the 4 June student movement, this director Zhang, who had learned of the situation in Beijing, sent a telegram back to instruct the museum's administration to draw 300 yuan from its operational fund and donate the money to the students.

Many staff members of the organs subordinate to the Ministry of Culture are also being investigated. Among them is You Qi, director of the department of external relations of the Bureau of Foreign Cultural Exchange and Relations, who is accused of heading a group of demonstrators and organizing donations in support of the students during the 4 June Incident.

Jiao Yongfu of the Cultural Market Administration and Tian Dawei, director of the Political and Legal Work and Law and Ordinance Affairs Department, are also being investigated. Tian Dawei is Tian Han's second son. He was accused of directly contacting the hunger strike group and calling on the students from the drama institute who were on hunger strike. His arrival was announced by the "College Students Autonomous Federation" through loudspeakers in Tiananmen Square.

As far as we know, quite a few other people have been transferred to other posts or purged. The first personnel change concerned former Culture Minister Wang Meng. In view of the situation after the 4 June Incident, Wang resigned his post as minister but is still serving as director of the research institute of literature and arts. Over the past couple of years, he repeatedly advised his friends in the cultural circles: "Please treasure the

present relaxed environment which is hard won." He just could not frankly declare his stance at that time because of his special status. Many people thought that he had changed and lost his courage after being appointed minister. This time, he explicitly made known his stand in resigning his post after the incident. One day, he attended a function at a stadium. The audience accorded him warm applause, paying respect to him as the former cultural minister. Other central leaders present at the same function met with rather restrained reception. This episode showed the public's attitude.

He Jingzhi replaced Wang Meng as acting minister. Under his leadership, many organs under or directly subordinate to the Ministry of Culture and other affiliated organizations have been reorganized.

Wu Zuguang Is Not Allowed To Travel Abroad

Wu Zuqiang, secretary of the party group of the China Federation of Literary and Art Circles; and Liu Jianqing, deputy secretary of the party group and secretary general of the federation, have been removed from office. Wu Zuqiang is president of the Central Music Conservatory and the younger brother of Wu Zuguang, a well-known playwright. Wu Zuguang was among those who were advised to withdraw from the CPC during the campaign "against bourgeois liberalization" after the student movement in 1987. After 4 June, the authorities have been more closely watching his moves and do not allow him to leave the country.

The vacancies left by Wu Zuqiang and Liu Jianqing were filled by Lin Mohan and Meng Weizai.

The Chinese Writers' Association has always been an important domain for "liberalization." After 4 June, Tang Dacheng and Feng Mu, secretary and deputy secretary of the party group of the Chinese Writers' Association respectively, were both removed from office and replaced by Ma Feng, a writer from Shanxi and Malqinfu, a writer of Monggol nationality. The present party group of the Chinese Writers' Association is formed by Ma Feng, Malqinfu, Zheng Bonong, Cong Weixi, and Ci Peide. Cong Weixi and Ci Peide were members of the former party group. The authorities originally planned to change all the members of this pro-liberalization leading body. But there are not enough cadres who are upholding "orthodox ideology." So some figures who are unreliable in the eyes of the authorities cannot but be retained in the party group.

Xie Yongwang, editor-in-chief of WENYI BAO, official newspaper of both the Chinese Writers' Association and the China Federation of Literature and Art Circles, was removed from office and replaced by Zheng Bonong. There were also major personnel changes with RENMIN WENXUE, the principal journal of the Chinese Writers' Association—its editor-in-chief Liu Xinwu was removed and replaced by Liu Baiyu and Cheng Shuzhen. As for the leadership structure, this journal, which used to be under the leadership by the Chinese Writers' Association alone in the past, is now put under the joint leadership by

the Writers' Association and the Press and Publications Bureau. The present government just intends to tighten control over RENMIN WENXUE by making the bureau one of the journal's two superior organs.

But the Press and Publications Bureau itself cannot escape the reshuffle. Director of the bureau Du Daozheng was removed from office long ago and replaced by former deputy director Song Muwen. In fact Du Daozheng was in favor of the "orthodox ideology." It is believed that his removal was because of his links with Zhao Ziyang. Zhao Ziyang was disgraced in Guangdong during the Cultural Revolution. Du Daozheng did him a favor at that time—Zhao stayed at Du's home for a while after his disgrace.

Xu Weicheng (with the pseudonym Yu Xinyan), a leftist theoretician, has been appointed deputy director of the Propaganda Department of the CPC Central Committee which is in charge of ideological work of the party.

It appears that the cultural circles have now been brought under full control. "Old leftists" have staged a comeback and taken back all the important positions. A dark age for the literature and art circles has arrived.

Three Zhao Followers Expelled From Party

HK2304020990 Hong Kong SOUTH CHINA
MORNING POST in English 23 Apr 90 p 1

[By Seth Faison in Beijing]

[Text] Three leading Communist Party liberals have been effectively expelled from the party, apparently for refusing to denounce the conciliatory stand towards the student movement taken by the former party chief, Mr. Zhao Ziyang.

The three veterans—Mr. Du Runsheng, Mr. Yu Guangyuan and Mr. Li Rui—were each blocked from renewing their party membership early this month, diplomatic sources said.

Their expulsion from the party, nearly a year after the student-led protest movement, reflects the deep, ongoing nature of the "cleansing" of the party's ranks that is being carried out in the form of a forced re-registration that checks each of the 44 million members' cases individually.

At 77, Mr. Du is one of China's most renowned agricultural experts.

He has been a party member for 54 years, and served as an adviser to Mr. Zhao and as director of the Government's Rural Development Research Centre from 1981 until it was formally disbanded last October.

Mr. Yu, a well-known social scientist who in recent years has been at the forefront of efforts within the party to discard outdated dogma, has like Mr. Du kept a low profile since last June.

But the leadership has apparently been unwilling to forgive either of Mr. Zhao's advisers for their role in the political machinations that enveloped Beijing last April and May.

The two are believed to have played an important role in persuading Mr. Zhao to reverse his stand on the April 26, 1989, PEOPLE'S DAILY editorial that spelled out Mr. Deng Xiaoping's hardline stance against the students.

Mr. Zhao had routinely approved a copy of the editorial sent to him on April 25 when he was visiting North Korea. But his advisers argued soon after his return on April 30 that the vast support Beijing residents were then showing for the students had significantly changed the situation.

On May 4, Mr. Zhao articulated a new, conciliatory stand that signalled a dramatic break with Mr. Deng, and that led to Mr. Zhao's downfall a few weeks later.

Despite his close ties to Mr. Zhao, by the end of last year, Mr. Du was believed to have cleared of wrongdoing, especially when he was spotted on the reviewing stand for last October's National Day celebrations, sitting among several elder party veterans whom he has known for decades.

One diplomat said Mr. Du was blocked from re-registering his party membership because, like Mr. Zhao himself, he has steadfastly refused to renounce his support for the conciliatory approach and endorse the party's hard-line position.

The same is apparently true for Mr. Yu despite his publishing of a scholarly article in January.

120th Anniversary of Lenin's Birth Commemorated

Editorial Marks Anniversary

HK2304074590 Beijing RENMIN RIBAO OVERSEAS
EDITION in Chinese 23 Apr 90 p 1

[Editorial: "Always Uphold the Integration of Theory and Practice—Commemorating the 120th Anniversary of the Birth of Lenin"]

[Text] Today, 22 April, is the 120th anniversary of the birth of Lenin, the great revolutionary leader of the proletariat, oppressed nations, and people of the world. With a feeling of great reverence for him, we commemorate this great man, who opened up a new era of human history.

In the past several thousand years of the history of human civilization, there have appeared many, many celebrated heroes. With the passage of time, most of them have been forgotten by the people. Only those who went with the tide of historical development, promoted social progress, and made magnificent contributions to the freedom and happiness of mankind have left a reputation that will go down in history. Marx and Engels were such great men, and Lenin too was the same kind of

great man. Although he has been dead for more than six decades, his cause, his spirit, and his thinking have not withered with the elapse of time. On the contrary, they have become firmer and brighter than ever before. Lenin will always stay with the Soviet people, the Chinese people, and people throughout the world.

In commemorating Lenin, there are many things to be recalled. The most unforgettable things are his exceptional courage, outstanding talent, and immortal contributions in closely integrating Marxism with new realities and creatively developing Marxism, thus bringing Marxism to the stage of Leninism. "The most essential thing in Marxism, the living soul of Marxism, is to make a concrete analysis of the concrete situation." This is one of his best-known sayings. By making an analysis of the economic features of imperialism and the new situation of class struggle, he brought to light the law of imbalance in the economic and political development of capitalism in the epoch of imperialism and drew the new conclusion that "socialism can win a victory first in a small number of or even just one capitalist country," thus developing the theory of the proletarian revolution and the proletarian dictatorship. Under the leadership of Lenin, great victory was achieved in the October Revolution and the first socialist country was established. During the years of war immediately after the establishment of the Soviet regime and in the following years, in light of the development and changes of the real situation, Lenin put forth and implemented a series of policies for economic restoration and development and for building socialism, which were suited to the concrete situation of Russia at that time. There are still many other examples in this respect, which have been put down in writing in history textbooks. They are vivid teaching materials for all Communists who are learning how to treat and apply the theory of Marxism.

Lenin was a true friend of the oppressed nations and oppressed people. He had deep sympathy with the Chinese people, who were living in an abyss of misery. He always paid great attention to the destiny of the Chinese people and progress of the Chinese revolution. It was Lenin who resolutely opposed the Czarist government's policy of aggression and expansion against China; it was Lenin who enthusiastically supported the 1911 Revolution led by Dr. Sun Yat-sen and the revolutionary struggle against the warlords; it was Lenin who announced after the October Revolution the abolition of the unequal treaty Czarist Russia had imposed on China; it was Lenin who supported China's Communists in establishing the CPC—the vanguard of the Chinese proletariat. The development and victorious advance of the new democratic revolution in China was inseparable from Lenin's great ideological influence. Lenin predicted: "Undoubtedly, the revolution in those eastern countries, which have a large population and complicated social conditions, will have more distinguishing features." The Chinese Communists have lived up to the expectations of Lenin. By applying the stand, viewpoint, and method of Marxism-Leninism, Comrade Mao

Zedong made a scientific analysis of China's national situation, overcame both "leftist" and right mistakes, and put forth the theory of encircling the cities from the rural areas and then capturing them. He led the Chinese people to overthrow the three great mountains and establish the People's Republic of China. He led China onto the socialist road. In the long-term practice of revolutionary struggle, the Chinese Communists, with Comrade Mao Zedong as their representative, have developed the great Mao Zedong Thought by integrating Marxism-Leninism with China's concrete practice.

Since the Third Plenary Session of the 11th CPC Central Committee, our party has restored the ideological line of seeking truth from facts, doing everything in line with actual conditions, and integrating theory with practice. The second generation of the party leadership with Deng Xiaoping as its representative has put forth the theory of building socialism with distinctive Chinese characteristics and worked out a basic line for the initial stage of socialism, that is, taking economic construction as the center and adhering to the four cardinal principles and the policy of reform and opening up. This theory and this basic line were the outcome of integrating the universal truth of Marxism-Leninism with the practice of the Chinese construction. Under the guidance of this theory and basic line, China's socialist construction has been developing rapidly, its national strength as a whole has been greatly enhanced, and the life of its people has been greatly improved. A socialist new China, which is thriving and prospering day by day, is proudly standing erect in the East. The great changes in China prove that once the truth of Marxism is accepted by a nation, even an ancient nation can acquire amazing vigor.

Lenin's theory on party building is an important part of Leninism. He pointed out that in its struggle for power, the proletariat had no other weapon but getting organized. The party is a conscious and advanced stratum and the vanguard of the class. No other political parties but the Communist Party, a political party of the working class, can lead the proletariat and all the laboring people. He particularly emphasized that in both revolution and construction, it is necessary to uphold party leadership, and that all political and economic work of the state should be led by the Communist Party—the conscious vanguard of the working class. He pointed out that a political party should not, in the slightest degree, be shaken on matters concerning its destiny and should not allow any compromise toward those who attempt to bury itself. When we stress integrating theory with practice, we must closely integrate Lenin's theory on party building with our party's realities so that our party can become even greater and stronger. The political party of the proletariat is the main force in integrating theory with practice. If this main force is negated or abolished, the integration of theory and practice will become mere empty talk.

The mass viewpoint is the fundamental viewpoint of Marxism-Leninism. The integration of theory and practice cannot be done without the integration of the party

and the masses. The two "integrations" are closely related to each other, and neither is dispensable. Lenin was not only a good example for integrating theory with practice but also a good example for maintaining close ties with the masses. With a profound love for the masses of people, he firmly believed that the masses of people are the creators of history and fully respected the historic initiative and revolutionary creativity of the masses. He held that the creativity of the masses is a basic factor in the construction of the new society. The wisdom of millions upon millions of masses will create something that is far more brilliant than the predictions of the greatest talent. The concern and active participation of the masses in national construction is the guarantee for the socialist construction cause. He utterly detested bureaucratism, which was characterized by being divorced from the masses and standing high above the masses, and carried out merciless struggles against it. He loved the masses, cared for them, and always maintained close ties with them. In our long-term revolutionary struggles, we the Chinese Communists have also drawn a mass line, which is characterized by doing everything for the masses, relying on the masses in all cases, and going from the masses and to the masses. This is a creative application and development of Marxism-Leninism. Recently, the Sixth Plenary Session of the 13th CPC Central Committee adopted a "Decision on Strengthening the Ties Between the Party and the People," calling on all party comrades to carry forward the fine tradition of the mass line and give play to our political superiority. This is a fundamental guarantee for long-term tranquility in our country. At present, by reviewing the relevant teachings of Lenin and recalling his good example in maintaining close ties with the masses, we will surely be educated and inspired and become more conscientious in implementing the "decision."

Integrating theory with practice is certainly not an easy job. In order to do so, it is necessary to oppose both the trend of dogmatism, which is characterized by being separated from reality, and the erroneous trend of negating the universal truth under the pretext of being in an exceptional situation. We must always learn from Lenin his firm revolutionary stand in upholding Marxist principles. In recent years, under the situation of the international anti-communist and anti-socialist forces pursuing their "peaceful evolution" strategy against the socialist countries, a very small number of bourgeois liberalization advocates in our country have directed the spearhead of struggle at the party leadership and at Marxism-Leninism and Mao Zedong Thought, which form the theoretical basis of the socialist system. They have belittled Lenin and Leninism and advocated that "Leninism is out of date." This is a marked manifestation of the tendency of bourgeois liberalization. To study Marxism, it is necessary to study Leninism; to adhere to Marxism, it is necessary to adhere to Leninism; to criticize the ideological trend of negating Marxism, it is necessary to criticize the ideological trend of negating Leninism. Our struggle is an arduous and long-term

struggle. We must learn from Lenin his dauntless revolutionary spirit and must hold high the great banner of Marxism-Leninism and Mao Zedong Thought under all circumstances. We must carry out persistent and dauntless struggles to safeguard the revolutionary principles.

Lenin was carrying out his revolutionary activities in Russia in the late 19th century and early 20th century, and we are carrying out our struggle in China, which is advancing bravely toward its goal set for the end of this century. Although the time and the situation are different, the radiance of Leninism will always light our way forward and the great image of Lenin will always spur us onwards. The situation varies from one country to another, and each nation has its own characteristics. Likewise, there are different tasks for different eras and different missions for different generations of Communists. The great achievements of Russian Bolsheviks led by Lenin have been recorded in history in letters of gold, and the great contributions of Mao Zedong and other proletarian revolutionaries of the older generation in China have left a reputation for posterity. Being their successors, we the current generation of Chinese Communists must continue to advance along the road of integrating the universal truth of Marxism with the concrete practice of our country and make our new contributions to the building of socialism with distinctive Chinese characteristics, so that we can prove ourselves worthy of the people's trust, in the past, at present, or in the future.

CPC Party School Remembers

OW2304003790 Beijing Domestic Service in Mandarin
 0930 GMT 18 Apr 90

[Text] The CPC Central Party School held a theoretical forum in Beijing this afternoon to mark the 120th birth anniversary of Lenin. Speaking at the forum, (Xing Fanshi), vice president of the Central Party School, pointed out: To commemorate Lenin, we must not only remember Lenin's revolutionary practice and great contributions, but also study and carry forward Lenin's ideological legacy in light of the actual conditions of modern times. We also must adhere to fundamental Leninist principles in order to continuously advance our socialist cause.

(Xing Fanshi) said: The history of the half century since the birth of Marxism is that of the rise of socialism like a single spark starting a prairie fire. If we are not to judge the fate of things merely by whimsical changes of the times and will look to longer historical periods as criteria, we are fully convinced that the historical trend of socialism replacing capitalism has not changed at all and no force whatsoever can change it.

He stressed that Lenin's systematic theories concerning proletarian dictatorship and democracy have great realistic bearing on our efforts to consolidate and develop the socialist system and crush the imperialist scheme of peaceful evolution. He said: Opposing or adhering to socialism is one of the major ideological struggles of the

modern era. The struggle will affect the future of socialism. Therefore, we must keep our minds sober and thoroughly and profoundly study all the new problems that have cropped up in real life. We must discover scientific and complete solutions. In this way we can keep Marxism-Leninism forever young and vivacious.

Comrades speaking at the forum dwelled on the course of the October Revolution and expressed their views on proletarian revolution, leadership of political party, socialist democracy, and other issues.

Commentary Reaffirms Continuation of Open Policy

HK2204011690 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 12 Apr 90 p 3

["Economic Commentary" by Lu Hua (6424 5478): "Clearing Doubts of Those Who 'Wait and See'"]

[Text] Overseas personalities entertained doubts as to whether China would continue the policy of opening up to the outside world in the wake of June 1989, and some people have, to date, adopted a "wait-and-see" attitude. The author has, of late, read two materials which might help clear such doubts:

- Shanghai Mayor Zhu Rongji announced not long ago that the CPC Central Committee and State Council support Shanghai in adopting a still bolder opening policy by utilizing foreign investment to develop Pudong, which is separated from the city proper by a river. An area of 350 sq km is involved in the planned development, an unprecedented scope with regards to all open cities in China's coastal areas.
- The just-concluded Sichuan provincial foreign economic and trade talks attracted some 1,000 clients, and the transaction volume in eight days doubled the originally planned index; moreover, contracts on 47 Sino-foreign economic cooperation projects were initiated.

These two events that took place in east and west China show that China has not shut its opened door, but is increasingly opening it wider. Even in the days immediately following the quelling of the Beijing counterrevolutionary rebellion, China did not "return to the era of closing the door to all foreign countries," as portrayed by Western public opinion, but has continuously pushed forward its opening policy. For example, the Tianjin Development Zone has initialled an accord with the U.S. MGM Commercial Company on the transfer of land use involving 5.3 sq km with compensation; Shanghai has accepted loans from the FRG, the United States, and France in terms of \$300 million to build its mass transit railway; China has worked very hard to become a GATT member...

China has always adhered to its opening policy over the past 10 years or so. Its multi-tiered opening zones have taken shape and spread from the coastal areas to the hinterland, along with a new pattern for foreign economic and technological cooperation, including utilizing foreign investment, and contracted labor service, with

foreign trade as the core. China has established trade relations with 180-odd countries and regions in the world, with friendly relations established in 340 cities with their counterparts all over the world. Today, it boasts 452 ports opening to the world. The existence of so many external ties demonstrates that China needs the world, and vice versa. China is inseparable from the world.

Just as many people know that opening up to the outside world does not mean to copy the Western market-oriented economy intact. The policy was determined only after careful consideration, as a way to bring prosperity to the nation and people based on China's national conditions. The implementation of this policy will continue, and be completed and perfected in practice, no matter what will happen in the world. If personalities overseas doubt China's opening policy, that is because of the external interference climate, but not China's procrastination.

Discipline Inspection Commission Issues Circular

OW2304070090 Beijing XINHUA Domestic Service in Chinese 2311 GMT 20 Apr 90

[Text] Beijing, 21 Apr (XINHUA)—The Central Discipline Inspection Commission on 17 April issued a circular on the case of Xiong Jiaqing, director of Liaoyang Textile Factory in Liaoning, and his wife, who was the factory's marketing planner. They had demanded and taken more than 100 bribes amounting to over 200,000 yuan by abusing their power to take charge of and market the factory's cotton yarn and cotton cloth.

The circular calls for party organizations at all levels and all party members to draw a lesson from this case in the following four aspects:

1. It is necessary to strengthen the position and role of an enterprise's party organizations. The circular says: For a time, under the influence of downplaying party leadership and other erroneous ideas, the position and role of party organizations in some enterprises were seriously weakened. A small number of party cadres abused power, made mistakes, and even committed crimes. Xiong Jiaqing was a typical case. In view of this, while improving the economic environment, rectifying the economic order, and carrying out in-depth reform, party committees at all levels must conscientiously strengthen the building of enterprise party organizations; bring their role of and supervision and the political core into full play; do ideological and political work well among enterprise party cadres; and educate them to observe discipline, abide by law, be honest in performing their official duties, work arduously, and play a vanguard and model role in developing socialist modern enterprises.
2. It is necessary to integrate punishing corruption with improving the economic environment and rectifying the economic order. The circular says: During the days of reform and opening to the outside world, a small number of people thought of correctly handling the party style

and strengthening the building of an honest government as conflicting with economic development. They said: "It is difficult to invigorate the economy without wining and dining." "Corruption is inevitable." As a result, they confused various people's ideas and the economic order. It was precisely during this period that Xiong Jiaqing and his wife asked for and took bribes without restraint to feather their nest. All party organizations must draw a lesson from this case. While improving the economic environment and rectifying the economic order, we must pay great attention to investigating and dealing with party cadres who violate the law and discipline. We must eliminate corrupt phenomena, improve the party style, and strengthen the building of an honest government. We must improve the party style, build an honest government, and develop the economy at all times.

3. It is necessary to select, educate, and take charge of cadres in accordance with the criteria that they must be more revolutionary, younger in average age, better educated, and more professionally competent. The circular says: Although the main reason that Xiong Jiaqing degenerated into a criminal is in his inner ideological roots, the case also exposes some shortcomings and malpractices in our selection, education, and command of cadres. Xiong Jiaqing is a man of very poor quality and lacks the conditions for being a leading cadre. When Liaoyang Textile Factory reshuffled its leading group in 1982, it adopted democratic recommendations. Of the 173 people who received votes, Xiong Jiaqing received only 61. However, some comrades unilaterally considered him "in his prime" and "capable" and let him be the director of a large factory with 10,000 workers. Xiong Jiaqing's lesson tells us that whenever we select and use cadres, we must uphold the principle of selecting only those who have both ability and political integrity, with the emphasis on political integrity. Only by handing leadership to those who have both ability and political integrity can the cause of reform, opening up, and socialist modernization grow and flourish.

4. It is necessary to uphold political principle and take the mass line while we choose the advanced cadres through public appraisal. The circular says: Before Xiong Jiaqing's case was cracked, he had won 32 large and small titles and laurels, including the national model worker on the textile industrial front and the Liaoning provincial model worker and fine entrepreneur. Some of these honorable titles were obtained by Xiong Jiaqing through fraud and deception; some he bought with money; some were conferred on him after he had hoodwinked the leading departments. This negative example tells us that to choose advanced models, we must uphold political criteria. It tells us that we must proceed from the actual situation and resolutely check the vicious trends towards fishing for fame and compliments and "spending money on a good reputation." We must be solemn and prudent while choosing the advanced cadres and the outstanding models through public appraisal. We must persist in taking the mass line, listen to the broad masses' views, and let in those people whose party

spirit is strong, who are honest and upright in their ways, who have made outstanding achievements, and who are deeply supported and loved by the masses become models for people to learn from.

Legal Propaganda, Education Conference Closes

OW2304040590 Beijing XINHUA Domestic Service
in Chinese 1137 GMT 18 Apr 90

[By RENMIN RIBAO reporter Xiao Du and XINHUA reporter Zhang Sutang]

[Text] Beijing, 18 Apr (XINHUA)—The four-day Third National Work Conference on Propaganda and Education in the Legal System closed in Beijing today. The conference proposed to launch the second five-year law propaganda campaign in 1991. In its five years, the campaign will continue to spread legal knowledge among all citizens, further enhance cadres' and the masses' concept of the constitution and the legal system, raise the people's awareness of the need to abide by laws in whatever they do, push for stricter observance of law in management of various undertakings, and incrementally place every undertaking onto the legal track.

It has been learned that the second five-year law propaganda program will have as its core the study of the constitution. Every year a certain period of time will be devoted to in-depth studies of the constitution. Apart from that, the campaign will engage in learning with a special emphasis the contents of one of the "10 laws" and popularizing knowledge of the relevant specialized law in a well planned and phased way so that learning and practice will go hand in hand and that legality will be more widely applied in management. The targets of the second five-year campaign include: leading cadres of various regions, departments, and professions; personnel of state law enforcement organs; and college, primary, and middle school students.

During the conference, the more than 250 propaganda and law enforcement cadres from around the country reviewed law propaganda work over the past five years. They held that the work amounted to a social system project, which calls for efforts by all quarters of society for it to achieve good results. Leading cadres in particular should take the lead in this work. At the same time, it is necessary to adhere to a principle of "integrating learning with practice and putting knowledge to use" to link the campaign of popularizing legal knowledge with the management-according-to-law drive.

Many of the comrades attending the conference noted: To ensure that the work of popularizing legal knowledge goes smoothly and that party committees and governments at all levels truly strengthen their leadership and supervision of the work, it is necessary to follow the principle of unified management, separate implementation, and integration of departments and regions at different levels, and to fully inspire the enthusiasm of the competent authorities and various special departments for leadership and supervision.

In his concluding speech, Xu Weicheng, executive deputy head of the CPC Propaganda Department, said: The purpose of educating people to know more about law is to put law in the hands of the people. Education in law must also be education in democracy, aimed at inspiring the consciousness of democracy and imparting knowledge about democracy; it is not just education in observing laws. He said the legal system propaganda and education campaign should serve to help stabilize the overall national situation. The key of the campaign lies in developing a socialist concept of democracy and legal systems.

Xu Weicheng held that in conducting education on the legal system, cadres, especially leading cadres, should always be the key point. Efforts should be made, through this propaganda and education campaign, to enable the large numbers of cadres to develop the idea of socialist democracy and a sense of relying on and serving the masses.

Symposium To Discuss Campus Cultural Activities

OW2104175190 Beijing XINHUA in English
0713 GMT 21 Apr 90

[Text] Beijing, April 21 (XINHUA)—A symposium on students' cultural activities, sponsored by China's Association of Mass Culture and three educational organizations, will be held here between April 26 and 28.

This was disclosed by Gao Zhanxiang, vice-minister of culture and chairman of the Association of Mass Culture, this morning.

More than 160 papers from across the country have been received, and 31 of them will be discussed at the symposium.

China boasts 890,000 schools of various kinds. They include 1,075 universities and colleges, 95,500 secondary schools and 790,000 primary schools. And the country has 182.35 million students. They include 2.08 million collegiate students, 57.15 million middle-school students and 123.73 million pupils.

Campus cultural activities had been influenced by the spread of bourgeois liberalization in recent years, Gao said, adding that it's necessary to conduct healthy cultural activities and to form a wholesome moral atmosphere in school so as to foster new persons in the socialist mold.

Beijing Symposium Promotes Patriotism

OW2304003190 Beijing XINHUA Domestic Service
in Chinese 0152 GMT 21 Apr 90

[By reporters Sun Yan (1327 3601) and Pu Xiaojing (3184 2556 3068)]

[Text] The Bureau of Propaganda under the Propaganda Department of the CPC Central Committee and the BAN YUE TAN Publishing House jointly sponsored a

symposium on education regarding the current situation. It held that to carry out education on the current situation it is necessary to hoist high the banner of patriotism and create the public opinion that the masses are the masters of the nation.

This symposium was held in Beijing between 16 and 20 April. Attending the symposium were 43 responsible persons of the prefectural (municipal) and county (city) party committees of various provinces, municipalities, and autonomous regions. The responsible persons of the Propaganda Department of the CPC Central Committee and XINHUA NEWS AGENCY also attended the symposium. Those attending the symposium earnestly studied the guidelines laid down by the Sixth Plenary Session of the 13th CPC Central Committee and Comrade Li Ruihuan's important speech on disseminating and implementing the decision of the sixth plenary session; exchanged the experience of carrying out education on the current situation in basic-level units, particularly those in the countryside; and discussed issues that we need to tackle at present.

Those leading cadres who fully understand the situation among the people held: Cadres and the masses both cherish the motherland. Stability conforms with the basic interests of all the people in the country, and the people throughout the country love the nation. Only by maintaining stability can we do a good job in building the country, and only by promoting patriotism can the country become stabilized. Therefore, in carrying out education on the current situation, we should give top priority to promoting stability in the country and vigorously develop the spirit of patriotism.

Comrades on the forefront said: Right now, the basic-level cadres are satisfied with the party Central Committee and its leadership with Comrade Jiang Zemin as the core; with the campaign to uphold the four cardinal principles in a clear-cut manner and to oppose bourgeois liberalization; with the initial results in improving the economic environment, rectifying the economic order, and deepening the reform; with the efforts of the whole party in placing emphasis on agriculture and increasing agricultural investments; with the party's efforts to strengthen its ties with the masses and the firm measures taken in this regard; with the drive to learn from Lei Feng's spirit and promote healthy trends in society and in the country; with the campaign to make a clean sweep of obscene materials and get rid of the "six vices" and to purify the social environment; and with China's firm stand to implement its open policy and to adhere to its principle against "peaceful evolution" which international hostile forces have tried to develop.

They also held: We still cannot overestimate the achievements we may attain in carrying out education on the current situation. There remain many problems that the masses need to solve. There are also some deep problems that need to be solved. All this requires that we continue to carry out education on the current situation in depth, and promote such education with a scientific approach

and in a systematic way. We must help people to distinguish right from wrong and rationalize their feelings, and provide them with convincing replies on some deep problems. Those attending the symposium hoped that the journals on current events and policy matters such as the BAN YUE TAN can timely supply the basic-level units with the proper propaganda and educational materials and to do a better job in helping basic-level units carry out education on the current situation.

Personnel Ministry To Recruit Top Graduates

*OW2104174690 Beijing XINHUA in English
0608 GMT 21 Apr 90*

[Text] Beijing, April 21 (XINHUA)—The Chinese Ministry of Personnel has decided to select a number of outstanding university and college graduates this year to work in government departments.

Vice-Minister of Personnel Cheng Lianchang said the decision is an important guarantee of the high quality of cadres in an effort to safeguard the nation's stability and unity.

Cheng said this at a national meeting of personnel bureau directors yesterday.

He said the graduates will work in various local government departments, mainly in the legal and economic supervision and coordination fields.

He explained that the graduates will first have to serve a probationary period in low-level units for one to two years.

XINHUA Features Manchu Minority Lifestyle

*OW2304070290 Beijing XINHUA in English
0607 GMT 20 Apr 90*

[Text] Harbin, April 20 (XINHUA)—The old folks of Sanjiazhi, a village of the Manchu minority nationality in northeast China, are stubbornly keeping up their ancient traditions.

They still greet each other in the Manchu language. In public the old men greet people by stretching their hands toward the ground and the women curtsy.

Even the young people come under the influence of these venerable customs as the village's primary and middle schools use the Manchu language as the medium of construction although they are all ready to accept modern ways of life.

The villagers, both old and young, all express appreciation of the present stable domestic situation, under which they say they wish to develop and improve their life.

Located on the west of the Nenjiang Plateau of Heilongjiang Province, the village is nowadays attracting the attention of scholars from both China and abroad.

The Manchus sprang from the Nuzhen tribe in northeast China. They conquered the country and overthrew the Ming Dynasty (1368-1644) and set up the Qing Dynasty (1644-1911). Nowadays there are only seven million ethnic Manchus left, scattered in Beijing City, Henan, Liaoning, Heilongjiang, Jilin and Hebei provinces, and the Inner Mongolia Autonomous Region.

But in the earlier period of the People's Republic of China, the registered population was 4.3 million.

The Manchu population dropped sharply after the Qing Dynasty was overthrown in the revolution of 1911, as many Manchus concealed their real nationality for fear of persecution and discrimination.

The people's government offers preferential treatment to minority nationalities, including the Manchus, to help them develop their economies, culture, and education.

According to villagers, for example, under China's preset family planning policy of one child per couple, Manchu couples can have two, and their children get priority in university enrollment.

They say that in Heilongjiang Province alone, there are more than 4,000 officials of Manchu nationality serving in provincial, city, and county administrations, and there are 35 Manchus serving as elected deputies to the provincial People's Congress and [Chinese] People's Political Consultative Conference.

The country's open policy also benefits Sanjiazhi Village, which is involved in a development project for the north China grassland and animal husbandry funded by an international agricultural development fund. The project is helping improve the village's grain production and the people's livelihood.

A village official said that the Manchu ethnic group made great contributions to the development of Chinese history and culture but is in danger of losing its language due to assimilation by the Han culture.

Before the opium war (1840-1842), the Qing regime's political, legal, diplomatic and military documents were all written in Manchu which was also called as Qing language.

Chinese archives now have many documents dating from the Qing Dynasty written in Manchu language which need to be translated and studied.

Chinese scientists feel that it is urgent to train more experts in the language in order to study the history of the Qing Dynasty.

The central and local governments have made every effort to help develop the Manchu language education.

At the behest of the late Chinese Premier Zhou Enlai, the Central Institute for Nationalities and Beijing's Palace Museum started Manchu-language classes and training of specialists.

Zhao Jinchun, a Manchu-language teacher at the Sanjiazhi Primary School, said that his students are very fond of learning their own language.

Sanjiazhi used to be inhabited by family members and relatives of Qing Dynasty soldiers. The architecture is strikingly different from those of the nearby Han villages.

Villagers say that many well known figures in Chinese history were of Manchu nationality, including Cao Xueqin, writer of "A Dream of Red Mansions", Lao She, also a writer, and Cheng Jianqiu, an opera star.

They hope to see more outstanding people emerge among them.

UNICEF To Provide Aid To Develop Education

OW2004224090 Beijing XINHUA in English
1403 GMT 20 apr 90

[Text] Yinchuan, April 20 (XINHUA)—The United Nations Children's Fund (UNICEF) will provide China with 15 million U.S. dollars in aid to develop education in 21 remote and poverty-stricken provinces.

The funds will be used to build a satellite education network in 26 counties inhabited by ethnic minority groups and train 25,000 primary and secondary school teachers.

Comparison of Text of Joint Venture Law

HK1104085990

Beijing RENMIN RIBAO in Chinese on 8 April carries in the lower half of page 1 a 2,000-character item entitled "Law of the PRC on Sino-Foreign Joint Ventures (approved by the Second Session of the Fifth National People's Congress on 1 July 1979 and revised according to a decision 'On Revising the PRC Law on Sino-Foreign Joint Ventures' made by the Third Session of the Seventh National People's Congress on 4 April 1990)."

This version has been compared with the XINHUA English version published in the 19 April China DAILY REPORT, pages 24-26, and found to be identical except for the following variations: Page 24, column two, paragraph one, first sentence reads: [Text] Article 1 With a view to expanding international economic cooperation and technical exchange, the People's Republic of China permits foreign companies, enterprises, other economic organizations or individuals (hereafter referred to as "foreign joint venturers") to join with Chinese companies, enterprises or other economic organizations (hereafter referred to as "Chinese joint ventures") in establishing joint ventures in the People's Republic of China in accordance with the principle of equality and mutual benefit and subject to approval by the Chinese Government. (deleting paragraph) Page 24, column two, paragraph five, only sentence reads: The state shall not nationalize or requisition any joint venture; under special circumstances, when social and public interests

require, joint ventures may be requisitioned according to legal procedures with appropriate compensation. (wording changed) Page 25, column one, paragraph nine, sentence one reads: Article 6 A joint venture shall have a board of directors, whose members and composition shall be stipulated in the contract and articles of association after consultation between the parties to the venture, and these members shall be appointed and replaced by the relevant parties. The chairman and vice chairman or vice chairmen of the board shall be chosen through consultation between the parties to the venture or elected by the board of directors. If one side assumes the office of chairman the other side shall assume the office of vice chairman. The board of directors shall decide on major problems concerning the joint venture on the principle of equality and mutual benefit. (wording changed) Page 25, column two, paragraph one, only sentence reads: The offices of manager and assistant manager (or factory director and deputy factory director) shall be assumed by the respective parties to the venture. (wording changed). Page 25, column two, paragraph two, only sentence reads: The employment and dismissal of the staff and workers of a joint venture shall be provided for in accordance with the law and the agreement and contract of the parties to the venture. (wording changed) Page 25, column two, paragraph two, only sentence reads: A joint venture may, in accordance with the provisions of the relevant state law and administrative rules and regulations on taxation, enjoy preferential treatment for reduction of or exemption from taxes. (wording changed) Page 25, column two, paragraph six, only sentence reads: Article 8 A joint venture shall, on the strength of its business license, open a foreign exchange account with a bank or any other monetary institution permitted by state foreign exchange control organs to handle foreign exchange transactions. (wording changed) Page 26, column one, paragraph two, only sentence reads: Article 10 The net profit that a foreign joint venturer receives after fulfilling its obligations under the laws and the agreement and the contract, the sum it receives at the time of the joint venture's scheduled expiration or early termination, and its other funds may be remitted abroad in the currency specified by the joint venture contract according to foreign exchange regulations. (wording changed) Page 25, column one, paragraph five, first sentence reads: Article 12 The contract period of a joint venture may be decided according to its line of business and circumstances. Joint ventures engaged in certain lines of business are required to specify their operation periods in contracts, whereas others may or may not choose to specify their operation periods in contracts. In the case of a joint venture with its operation period specified, if the parties to the joint venture agree to extend the operation period, the joint venture may submit an application to the examining and approving authorities six months before the expiration of the operation period. The examining and approving authorities will decide to approve or disapprove it within one month of receipt of the application.

Article 13, if heavy losses occur or if there is a failure by a party to perform its obligations under the contract and articles of association or force majeure and so on, the joint venture may terminate the contract through consultation and agreement by the parties to the joint venture and register with a state industrial and commercial administrative department for the termination of the contract. In the case of losses caused by a breach of contract, the economic responsibility should be borne by the party breaching the contract. (wording changed)

Military

Li Peng Visits Model Company in Shanghai

OW1904144890 Beijing XINHUA in English
1419 GMT 19 Apr 90

[Text] Shanghai, April 19 (XINHUA)—Li Peng, premier of the State Council and member of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee, yesterday called on the officers and soldiers of the Good Eighth Company on Nanjing Road in Shanghai.

Premier Li first went to their exhibition hall see displays of the company's good deeds. He then visited the soldiers' barracks and the company's kitchen and asked the soldiers about their study, work, and daily life.

The premier urged the soldiers to study hard and carry forward the fine tradition of arduous struggle. In the company's office, Li wrote: "Learn from 'the Good Eighth Company,' work arduously, fight corruption, and prevent 'peaceful evolution'."

Li also took a picture with the company's officers and soldiers and urged them to carry forward the fine traditions of arduous struggle, work hard to raise their political consciousness and military and cultural levels, be good soldiers of the people, and make new contributions to safeguarding the socialist motherland and constructing socialist modernization.

PLA Encourages Learning From Good Eighth Company

OW2304062790 Beijing XINHUA Domestic Service
in Chinese 0559 GMT 19 Apr 90

[Text] Beijing, 19 Apr (XINHUA)—The General Political Department of the People's Liberation Army (PLA) recently issued a circular urging the whole Army to launch an extensive drive to learn from "the Good Eighth Company on Nanjing Road."

The circular of the General Political Department says: In order to promote extensive development of the campaign to learn from Lei Feng in the whole Army, to boost the excellent style of plain living and hard work, and strengthen the political construction in the Armed Forces, the General Political Department has decided to launch an extensive drive to learn from "the Good

Eighth Company on Nanjing Road" in accordance with the directive of leading comrades of the CPC Central Military Commission.

The circular stipulates:

First, "the Good Eighth Company on Nanjing Road" is a banner company that always maintains the true political color of plain living and hard work promoted by our party and Army in the struggle between corruption and anticorruption. Under the new situation, it is very important to learn from the excellent traditions and work style of "the Good Eighth Company" in order to strengthen the ideological and political construction of troops, ensure a good political standard forever, overcome various difficulties, and promote the revolutionary, modernized, and regularized construction of our Army. Therefore, while launching an extensive drive to learn from Lei Feng, great efforts should be made to promote the campaign of learning from "the Good Eighth Company on Nanjing Road."

Second, under special circumstances and because of the practice of long-term construction, "the Good Eighth Company" has formed many good types of ideology and work styles and has created many good experiences. In learning from "the Good Eighth Company," we must put the emphasis on learning from its noble moral principle of "refusing to be corrupt and refusing to take advantage of others," from its excellent style of plain living and hard work, and from its lofty ideology of serving the people wholeheartedly.

Third, the excellent tradition of "the Good Eighth Company" and the spirit of Lei Feng are basically the same. It is necessary to integrate organically both the drive of learning from "the Good Eighth Company" and the drive of learning from Lei Feng. We must advocate that individuals should try to become revolutionary soldiers of the Lei Feng style and that grass-roots units should become advanced collectives of "the Good Eighth Company" style. The drive of learning from "the Good Eighth Company" should be integrated with the implementation of "the outlines for Army grass-roots building" so as to further strengthen the grass-roots construction and increase comprehensively the battle force of the Armed Forces.

Fourth, the party committees and political organs must take the drive of learning from "the Good Eighth Company" as an important link in the activities of learning from Lei Feng and strengthen their guidance of the drive. Leading cadres must take the lead in learning the excellent tradition and work style of "the Good Eighth Company" and play a leading role in maintaining the true political color of our party and Army.

Military Expenditure Increases in 1990

HK0604082190 Hong Kong TANG TAI in Chinese
No 18, 31 Mar 90 p 17-18

[Article by Wan Li-hsing (8001 6849 5887): "China's Military Expenditure To Increase Drastically in 1990"]

[Text] As expected, the item of expenditure with the largest growth rate in the 1990 budget submitted by Chinese Minister of Finance Wang Bingqian to the Third Session of the Seventh National People's Congress was that for military expenses. Military expenses will increase from 25.1 billion yuan (the amounts shown in this article are all in renminbi) in 1989 to 29 billion yuan, an increase of 15 percent. The increase in military expenses is even more significant than the 10-percent growth in overall expenditure. That will be one year, since the 1980's, in which the largest growth rate in military expenses will be registered.

Wang Bingqian did not furnish any explanations in his budget report regarding the reasons for the drastic increase in military spending. Although we all know that such an increase is the government's inevitable arrangement after the June 4 massacre, even members of the Financial and Economic Committee of the National People's Congress (a committee which is specially responsible for the approval of budgets) are quite unclear about the areas to which the funds will be directed, for no details were given in the budget report submitted to the Standing Committee of the National People's Congress.

Allocation of National Defense Expenditures

It is understood that China's military budget is comprised of two parts: the overall national defense budget and the combat readiness budget. For the annual overall national defense budget the military departments concerned arrange allocation of funds for the various undertakings in accordance with the overall planning of military construction items and the plans that are to be implemented. The combat readiness budget, directly under state control, provides funding for plans in the areas of technological research in national defense, tactics, and combat. The proportion of this part of the funding in the overall military budget is determined by the number of national defense undertakings. This proportion, at a relatively small 10 percent in peacetime, is increased considerably in wartime.

The overall national defense budget is made up of smaller national defense budgets. Based on individual items of expenditure, the funding required for the entire military is arranged. According to informed sources, military expenses in this area in the last decade were allocated as follows (see Table One):

Table One: China's Allocation of Military Funding

Development expenses, which constitute 30 percent of the whole budget, are used in the following areas: Equipment (for the various arms of the services), training (facilities and equipment), education (teaching material and facilities), facilities for technological research, and others.

Maintenance expenses, which account for 33 percent of the whole budget, are utilized in the following areas: Maintenance of navy equipment (including warships), maintenance of air force equipment (including airplanes), maintenance of artillery (including missiles), purchase of fuel (all kinds of fuel), health (medication and medical equipment), political work (teaching material for political education), management fees for military supplies (the maintenance and repair of supplies), miscellaneous official expenses (office articles), and others.

Living expenses, which amount to 36 percent of the whole budget, are utilized in the following areas: Salaries (for military officials), wages (for volunteers and staff on the payroll), allowances (living expenses for soldiers), welfare (relief and laundry), and others.

Having understood the manner in which China's military expenses are allocated, we know that the drastic 15-percent increase this time will probably be allocated to the following items: 1. Funding for equipment purchases to make up for, maintain, and repair that damaged in the June 4 Incident.

2. Combat expenses. Additional funds might be required in maneuvering troops across provinces and cities and stationing forces in the outskirts of Beijing.

3. Easing the conflict generated by the relatively insignificant increases in the military budget during the last decade (this is mainly because military expenses have basically been kept at a zero growth rate for a long period of time). It is quite possible that allowances for troops will be increased appropriately.

We should be able to see that the increase in military expenses, although drastic, still does not exceed the predicted military expenses for the 1990's. When China slashed one million of its troops in 1986, the Central Military Commission conducted an estimate of the growth in military expenses in the 90's. The estimate, based on different assessments of the international scene and the domestic situation, was divided into three military expense patterns, and each pattern was further divided into high, middle, and low limits. Please see Table Two for the results of the estimate. From this table, we can see that China's military expenses for 1990 are only slightly higher than the lower column of the "upper limit." China's military expenses are still not very high.

Table Two: The Increase of China's Military Expenditures in the 1990's

Unit: 100 million renminbi

| Year | Method of Estimation | Upper | Middle | Lower | Year | Method of Estimation | Upper | Middle | Lower |
|------|----------------------|-------|--------|-------|------|----------------------|-------|--------|-------|
| 1990 | High | 467.8 | 374.2 | 280.7 | 1995 | | | | |
| | Middle | | 308.4 | | | Middle | | 496.7 | |

| | | | | | | | | | |
|------|--------|-------|-------|-------|------|--------|-------|-------|-------|
| | Low | 259.4 | 219.3 | 179.3 | | Low | 283.4 | 243.3 | 203.2 |
| 1991 | High | 500.5 | 400.4 | 300.3 | 1996 | High | 702.0 | 561.6 | 421.2 |
| | Middle | | 339.3 | | | Middle | | 546.4 | |
| | Low | 264.2 | 224.1 | 184.0 | | Low | 288.2 | 248.1 | 203.0 |
| 1992 | High | 533.6 | 428.5 | 321.4 | 1997 | High | 751.2 | 600.9 | 450.7 |
| | Middle | | 373.2 | | | Middle | | 601.0 | |
| | Low | 269.0 | 228.9 | 188.8 | | Low | 293.0 | 252.0 | 212.8 |
| 1993 | High | 573.1 | 458.5 | 343.8 | 1998 | High | 803.8 | 643.0 | 482.3 |
| | Middle | | 410.5 | | | Middle | | 661.1 | |
| | Low | 273.8 | 233.7 | 193.6 | | Low | 297.8 | 257.7 | 217.6 |
| 1994 | High | 613.2 | 490.6 | 367.9 | 1999 | High | 860.0 | 688.0 | 516.0 |
| | Middle | | 451.5 | | | Middle | | 727.2 | |
| | Low | 278.6 | 238.5 | 198.4 | | Low | 302.6 | 262.5 | 222.4 |
| 1995 | High | 656.1 | 524.9 | 393.7 | 2000 | High | 920.2 | 736.2 | 552.1 |
| | | | | | | Middle | | 799.9 | |
| | | | | | | Low | 307.4 | 267.3 | 227.2 |

Note: High estimate: Calculated in accordance with the proportion of military expenses in the national income. Middle estimate: Calculated in accordance with the growth rate of military expenses. Low estimate: Calculated in accordance with a mathematical pattern. **Explanation:**

The aforesaid estimate was prepared in 1986 when the Central Military Commission decided to slash 1 million of the country's troops. The calculations were made in accordance with the military expenditure situation for the next 15 years (1986 to 2000). The table, a joint research effort by tens of military academies and institutions, was presented to the Central Military Commission as a reference for its annual budget planning. In the course of preparing the aforesaid estimate, the Central Military Commission had put forward various assumptions with regard to the possible development of the international scene and the domestic situation, and also probable changes in the guiding principles of communist China's military construction. Although outsiders have no way of knowing what the assumptions actually were, we can somehow catch a glimpse of how China felt towards the future.

Contemporary data: The procedures in formulating China's military budgets

Usually, the following four procedures are followed in formulating China's annual military budgets (meaning annual concrete expenses and not "extent" and "quantity" military expenditure planning of a middle- or long-term nature.)

First, the estimated revenue plan is put forward (Note: The estimated revenue of the military is an estimated expenditure by the state). The departments concerned in the Central Military Commission put forward a national defense construction overall plan and an estimated revenue plan which are based on strategic guiding principles and the analysis of the situation by the central government and the Central Military Commission. Furthermore, the plans also conform to the needs of national defense construction and the financial and economic condition of the state. The plans, which comprise national defense technological research expenses, the people's militia expenses, the people's air defense expenses, and the amounts required for capital construction funding, are then submitted to the State Council for examination and approval.

Second, funds are allocated by the state. The State Council checks the plans put forward by the Military Commission in accordance with the situation of the state's financial revenues, after which special funds will be allocated from the social consumption fund and the accumulated fund as national defense funds. The funds are then handed over to the finance department of the military commission for management. Special funds are reserved for special uses.

Third, the national defense funds are allocated within the military. The finance department of the military commission regards the state's national defense allocations as the expected source of revenue and conducts a combined balance in accordance with the national defense construction overall planning and the needs of

the various undertakings. Funds are allocated according to the degree of urgency of the undertakings.

Fourth, the national defense funds are reallocated within the military. Based on the allocations from the finance department of the military commission, major units make arrangements for their annual expenditures, effect actual planning for fund allocation, and distribute the funds to their respective units.

Military Districts Meeting Views Army Support

OW2304004590 Nanjing Jiangsu Provincial Service in Mandarin 1015 GMT 11 Apr 90

[Text] Representatives of the nation's 16 provincial military and garrison districts gathered in Changzhou today to attend a meeting with the theme of exchanging experiences in supporting military training with productive labor. The meeting was jointly sponsored by the Jiangsu Military District and ZHONGGUO MINGNING magazine.

At the meeting, Zhang Zhaoxun, commander of the Jiangsu Military District, introduced how the campaign has fared in Jiangsu. The province has been carrying out the activities of supporting military training with productive labor in such a way as to ensure contributions to the double increase and double economy campaign and the provincial economy, as well as to the enhancement of national defense. The province has insisted on proceeding from the characteristics of the local economy and the overall development strategies with a view to strengthening the capacity for long-term development of the industries devoted to the drive of supporting military training with productive labor, allowing them to gain a sturdy footing in an economic environment marked by complexity and changes.

Some 1,676 towns and townships across the province have founded economic entities to support military training with productive labor. A total of 978 factories and enterprises have unfolded projects required of the campaign to support military training with productive labor. Last year these entities, factories, and enterprises registered a total industrial value of 1,140 million yuan, with profits and taxes exceeding 120 million. The money spent on the development of militia was more than 11 million yuan.

PLA International Institute Makes Social Study

OW1704015090 Beijing XINHUA Domestic Service in Chinese 1046 GMT 16 Apr 90

[By correspondents Jin Ying (2516 5235) and Shao Ning (6730 1337)]

[Text] Nanjing, 16 Apr (XINHUA)—"Mingling with the masses has enabled us to realize that socialism accords with the will of the people; and going into society has strengthened our confidence in building socialism with Chinese characteristics," said students of the Institute of International Relations of the People's Liberation Army

[PLA], who recently completed a social investigation covering 1,000 li [Chinese unit of length, equivalent to one-half km]. They added: "We have learned a real lesson of socialism through social practice."

The party committee of the institute found out that because of prolonged alienation from society and failure to understand the workers and peasants and the history and reality of socialism in China, some students who were influenced by the ideological trend of bourgeois liberalization had confused ideas about socialism. Therefore, to teach students a realistic lesson about socialism with concrete information, the party committee organized them to launch the 1,000-li social investigation in southern Jiangsu. Once a land of plenty in Chinese history, the region experienced serious depression in all trades, and the masses lived in dire poverty under the Old China. After liberation, especially the decade of reform and opening to the outside world, southern Jiangsu has suddenly become one of the most prosperous regions in the country. The students visited factories and went down to villages, listening to lectures by pacesetters on the socialist road, witnessing the tremendous changes that socialism has brought about to the region, and studying its experience in construction and reform. They organized a total of more than 10 report meetings and visited 85 workers and peasant families. The students have realized from their personal experience the superiority of socialism and the profound popular support for socialism, thereby kindling their ardent love for socialism and going through penetrating changes in their thinking.

During the social investigation, the institute's party committee helped the students educate themselves in light of questions the students had in mind and their ideological reality. At the same time, the party committee taught the students the correct methods for observing and analyzing questions and let the students draw their own conclusions through social investigation. While in Zhangjiagang, the students applied the correct method in analyzing the starting point and speed of the city's economic development. The students noticed that although we still lag behind the capitalist countries in certain aspects of economic development, our growth rate is not lower than that of the capitalist countries if you consider that our starting point was lower than theirs. Thus, the students came to realize that only socialism can save and develop China.

In the course of extensive social contacts, the institute's party committee organized the students to investigate prosperous areas, as well as to understand impoverished areas, and encouraged the students to put forward tentative plans and suggestions for the economic and cultural development of impoverished areas.

Jiang Issues Order on Training Regulations

OW2004105190 Beijing XINHUA in English
0758 GMT 20 Apr 90

[Text] Beijing, April 20 (XINHUA)—Jiang Zemin, chairman of the Central Military Commission, recently issued an order for the promulgation of the regulations on the training of the People's Liberation Army (PLA).

The 108-article regulations cover general principles, obligations, annual tasks, organization and implementation, testing and assessment, and rewards and punishments.

Forum Discusses Agricultural, Sideline Production

OW1504102090 Beijing XINHUA Domestic Service
in Chinese 1207 GMT 13 Apr 90

[By correspondent Wan Yihua and reporter Guo Diancheng]

[Text] Fuzhou, 13 Apr (XINHUA)—The forum on all-Army grass-roots production and life administration, which was held in certain divisions stationed in southern Fujian, ended on 12 April. At the meeting, Chief of General Staff Chi Haotian and Director Zhou Nanqi of the General Logistics Department stressed that it is a long-term principle for the Armed Forces to develop agricultural and sideline production. The whole Army must conscientiously implement the directive of the Central Military Commission and promote the spirit of plain living and hard work so as to upgrade the agricultural and sideline production of the Armed Forces to a new level and serve to increase the combat force of the troops.

The People's Liberation Army has already formed a trinity system of agricultural and sideline production using farms, pasture land, and tree farms as the backbone; regiments' or brigades' nonstable bases as an intermediate link; and companies' spare time production as a basis. Last year alone, the whole Army produced 600 million kg of grain; 600 million kg of meat, poultry, fish, and eggs; 620 million kg of vegetables; and 21 million kg of dried and fresh fruits.

In his speech, Zhou Nanqi pointed out: China is a developing socialist country. At present, it is experiencing a relatively difficult financial situation. As a result, the contradiction of supply and demand in military expenditures is relatively conspicuous. Facing such a reality, the People's Army must, first of all, conscientiously be subordinated to the overall situation of national economic construction and continue to lead a thrifty life. Secondly, it is necessary to actively engage in production, broaden sources of income, and increase the self-supplementary ability of expenditures and materials. Third, we must strengthen administration and use the limited expenditures in the most needed places and bring about their marginal utility.

Zhou Nanqi said: It is a common task for the whole party, Army, and nation to develop agriculture and solve the problem of feeding our 1.1 billion population. It is also necessary for the troops to pay attention to agricultural and sideline production; this will lessen the burden of the state and the people, closely link the blood and flesh ties between the Army and the people, and cultivate the work style of the Armed Forces. Zhou Nanqi also put forward concrete demands on how to advance agricultural and sideline production of the troops to a new level.

In his speech, Chi Haotian said: As the People's Army, we must make full allowances for the state's difficulties, and with one heart and one soul share weal and woe with the people. A concrete action is for us to help the state overcome difficulties by paying attention to agricultural and sideline production in order to supplement the substandard supplies. This is not just an expediency but a long-term task. Judging from the conditions of our Army, there is still a great potential for us to develop production. So long as we use our brains and find every possible way to manage and use the farmland the Army presently possesses, we will certainly advance our agricultural and sideline production to a new level.

Air Force Production Work Talks End in Shanghai

OW1604052390 Shanghai City Service in Mandarin
0900 GMT 15 Apr 90

[Text] A production work meeting held by the People's Air Force concluded today in Shanghai. Zhu Guang, political commissar; Wang Zhongqi, director of the Political Department; and other Air Force leaders attended the meeting. Awards were given to eight advanced Air Force units in doing production work.

The past few years have seen stable and sustained development of production work carried out by various units of the Air Force. This has a positive effect on maintaining stability and raising the fighting capacity of these units.

The participants visited over a dozen enterprises run by the Air Force in Shanghai during the meeting period.

Air Force Strengthens Socialism Education

OW1804051290 Beijing Domestic Service in Mandarin
2230 GMT 10 Apr 90

[From the "News and Press Review" program]

[Text] The Air Force of the People's Liberation Army [PLA] has published pamphlets and picture books and produced videotapes introducing China's achievements in the four modernizations and in implementing the policy of reform and opening to the outside world. The pamphlets, picture books, and videotapes have been disseminated widely among the Air Force units as part of their education in socialism. At the same time, Air Force units have sent cadres and soldiers to local factories, mines, enterprises, neighborhoods, and the countryside to conduct field investigations to appreciate firsthand

the effects of the reform and opening, as well as the achievements made in improving the economic environment and rectifying the economic order. The tangible evidence convinced the cadres and soldiers of the superiority of socialism and strengthened their love of socialism and their confidence in the correct leadership of the party.

A certain Air Force regiment stationed in the suburbs of Shishi City, Fujian, invited the city's leaders to brief the soldiers on the city's history, its current conditions, and the changes it has experienced. The briefings made the soldiers realize that the party's policy of reform and opening had brought prosperity to the city and that the party's policy of improving the economic environment and rectifying the economic order had cleaned out repulsive elements from the city and had breathed new life into the city's economic construction.

Many Air Force units held lectures on the 10 years of reform and opening. Cadres and soldiers discussed the reform and their feelings, and told their own stories to educate one another on how to correctly approach the temporary difficulties encountered at the present time.

The vast numbers of Air Force cadres and soldiers believe that this kind of education is more persuasive. Some comrades said with strong feelings: People on the boat will realize how far they have come when they look back at the point of departure. After looking back at the 10 years of reform and the last two years since the policy of improving the economic environment and rectifying the economic order has been launched, we are even more confident of the future of socialism.

Yang Baibing Praises Naval Party Committee

OW1604114390 Beijing XINHUA Domestic Service
in Chinese 0540 GMT 14 Apr 90

[By reporter Huang Caihong (7806 1752 5725)]

[Excerpts] Beijing, 14 Apr (XINHUA)—Newsletter: An Honest and Clean Party Committee

Members of the party committee of a base of the North Sea Fleet are honest and clean, because they have worked very hard to forge close ties with the masses. Yang Baibing, director of the General Political Department, has praised them for "having made outstanding achievements" in improving the party's work style.

Recently, the Discipline Inspection Commission of the Central Military Committee issued a circular to the whole Army to commend their deeds. [passage omitted] The party committee has always been fair in using subordinates. As a result, there has been no criticism from the masses. [passage omitted] In dealing with problems of promotions, transfers, and schooling of their children and relatives, all of which are sensitive to the masses, members of the party committee have set strict demands on themselves and have never tried to give them special treatment. [passage omitted]

The party committee has nine Standing Committee members, seven of which are military cadres. They have always regarded themselves as rank and file, never divorcing themselves from the masses or seeking special privileges. [passage omitted]

Members of the party committee have always refused to accept gifts from fighters. Last May, when a volunteer wished to leave the service earlier than scheduled, he sought the help of Deputy Commander He Zhiwu. As he was leaving, he left 500 yuan for the deputy commander. He Ziwu immediately returned the money to the fighter. Commander Zhao Guocheng, Deputy Political Commissar Lu Shaojing, and Director of the Political Department Ni Shichang have also come across similar incidents, but they have always upheld justice and never sold out the party's principles.

Economic & Agricultural

Development of Township, Town Enterprises Urged

HK0904145090 Beijing NONGMIN RIBAO in Chinese
15 Mar 90 p 1

[Commentator's article: "Correctly Appraise the Role of Township and Town Enterprises"]

[Text] During a previous period, there existed among the cadres and the masses a feeling that some policies were unstable and a fear that policies were changeable. To protect the productive forces already formed in the course of reform and opening up, and to stabilize the feelings of the workers and peasants, when the fifth Plenary Session of the CPC Central Committee was defining the policies, including the system of contracted responsibilities on a household basis with remuneration linked to output in rural areas, the system of contracted responsibilities for operation of industrial enterprises, and the system of factory director's responsibility, it also: affirmed the role of a township and town enterprises in the national economy; put forward a principle of "readjustment, consolidation, transformation, and improvement" and a series of policies that tallied with reality; and vigorously led the township and town enterprises to develop healthily in order to maintain the stability and continuity of the economic policies and to unremittingly attain perfection and ensure deepening. However, as Premier Li Peng recently pointed out, regarding the role of township and town enterprises, "insufficient stress has been laid" and "I think that the role of a township and town enterprises in the development of China's economy must be correctly appraised."

A township and town enterprise occupies an important position in the political, economic, and social life of our country and plays an important part.

1. They have become an important component part of the national economy. According to the preliminary summing-up report at the end of 1989 (the following figures are quoted from this report), the township and

town enterprises numbered approximately 18 million. Their gross output value was 753 billion yuan, rising to 25 percent of the national gross social output value and equivalent to the national gross social output value in 1979. Their gross industrial output value was 518 billion yuan, an increase to 30 percent from 6.1 percent of the national gross industrial output value in 1978, and equal to the national gross industrial output value in 1980.

2. They have become an important force in the socialist public-owned economy. Of the township and town enterprises, the township and village enterprises and peasant stock cooperation enterprises are the laboring masses' economic sector under collective ownership and the principal part of the township and town enterprises. In 1989 there were only 1.5 million enterprises at the township and village levels. Their gross output value of 497 billion yuan accounted for 17.41 percent of the national gross social output value, 41 percent rural gross social output value, and 66 percent of the gross output value of township and town enterprises throughout the country.

3. They have become the only way of invigorating the rural economy. With the development of township and town enterprises, the rural single economic structure has changed. In 1989, the gross output value of township and town enterprises increased to 60 percent of rural gross social output value and became a principal part of the rural economy. Over the past 10 years the profits from township and town enterprises spent on all rural projects and investments have amounted to 70 billion yuan, thus lightening the burden of the peasants. In the places where township and town enterprises are developed, their political power is consolidated and they can materially solve the various questions, such as procurement of grain, family planning, and providing relief to households enjoying the five guarantees [childless and infirm old persons who are guaranteed food, clothing, medical care, housing, and burial expenses], which arise in rural areas.

4. They have become the main way out for employing rural surplus labor force. In 1989, the workers in township and town enterprises numbered over 92 million, constituting 62 percent of the net additional rural labor force from 1978 to 1989 and making up half of the entire rural surplus labor force.

5. They have become the main economic pillar for developing agriculture, especially grain production. Over the past 10 years, township and town enterprises have spent funds of 13.7 billion yuan to directly support agriculture and build agricultural facilities, and this amount is equal to one-third of state budgetary investments in agriculture, forestry, water conservancy, and gas in the corresponding period. This has promoted scientific and technological agricultural progress and provided favorable conditions for building preproduction and postproduction service systems.

6. They have become an important way of increasing the peasants' income. During the past four years, over half the net additional income of the peasants has come from township and town enterprises.

7. They have become an important source of state revenue. The total amount of taxes paid by township and town enterprises to the state over the past 10 years is some 148 billion yuan, accounting for over 50 percent of the total amount of the net additional state financial revenue in the same period.

8. They have become a new force for earning foreign exchange from exports. The total amount of foreign exchange earned for the state from 1984 to 1989 was over \$35 billion and the foreign exchange earned in 1989 exceeded \$10 billion, accounting for about one-fifth of the total amount of foreign exchange earned by the whole country.

9. They have become important suppliers of useful social commodities. In 1989, township and town enterprises produced 346 million tons of raw coal, their electricity output was 130 million kwh, and they produced 59 million tons of cement, 4.7 million tons of paper, 755 million pieces of large and small agricultural tools, and 270 million pieces and suits of clothing. Their output recorded a relatively big increase over the preceding year.

10. They have become a motive force in promoting the building of small rural cities and towns and in building spiritual civilization. The funds spent by township and town enterprises in building small cities and towns over the past few years total over 500 million yuan. The emergence and comparative concentration of a large number of township and town enterprises has promoted the formation and development of small rural cities and towns. The number of towns built in our country has increased from 2,600 in 1980 to 12,000 at present. In recent years, the funds spent by the township and town enterprises on rural cultural and educational projects each year is 700 million yuan, and a new generation of peasants has been trained. Moreover, a large number of peasant entrepreneurs have appeared, vigorously promoting the building of rural spiritual civilization.

The development of township and town enterprises has made important contributions toward supporting agriculture, solving the employment problem, making the economy prosperous, and increasing revenue, exports, and foreign exchange. It has enabled our country to avoid the various defects and unstable factors brought about by a large number of peasants pouring into cities, which occurred in developing countries. It has also stabilized rural areas and the state. It has embarked on a new road of merging urban and rural areas into an organic whole, and industry and agriculture into an organic whole, while consolidating the worker-peasant alliance and building a powerful socialist country with Chinese characteristics and "four modernizations."

While dwelling on the strategic significance of our country's township and town enterprises, General Secretary Jiang Zemin profoundly pointed out: township and town enterprises must continue to develop and this is the only way to help the rural areas to become rich collectively. The role of township and town enterprises lies not only in the fact that the proceeds from industry are used to support agriculture and sideline occupations but also in the fact that township and town enterprises must maintain close ties with large industry, foreign trade, and exporters in cities and also with agriculture and non-staple food production. Without township and town enterprises and without the "purses," not only the "food baskets" and "rice bags" are empty, but also the state financial revenue, exports, and foreign exchange will be affected. Therefore, while vigorously strengthening agriculture we must continuously encourage and lead township and town enterprises to develop healthily. The leading comrades of the State Council have recently emphasized again that China cannot go on without the township and town enterprises. We must adhere to the principle of vigorously developing township and town enterprises, foster their strong points, circumvent their weak points, and continuously carry forward the superiority of township and town enterprises. All quarters must enthusiastically support the development of township and town enterprises. At present, the whole country is required to try every means to help township and town enterprises resolve worries and difficulties and to promote their continuous, coordinated, and healthy development to make new and even greater contributions toward the economic, political, and social stability of the whole country.

Ma Hong on Integrating Planned Economy, Market

HK1904130590 Beijing JINGJI RIBAO in Chinese
2 Apr 90 p 3

[Report by Chen Shuo (7115 3617): "Ma Hong, NPC Deputy and Director of the Development Research Center of the State Council, Speaks about Integration of Planned Economy With Market Regulation"]

[Text] Ma Hong, a deputy to the National People's Congress [NPC] and director of the Development Research Center of the State Council, said at the discussion meeting of the Shanxi delegation to the NPC: "The integration of the planned economy with market regulation is an important issue concerning the orientation of the economic structural reform in our country, and it has a bearing on whether we can continue to advance along the socialist path. In a certain sense, the proper settlement of this issue is the key to finding the way to build socialism with Chinese characteristics."

He said: In the contemporary world, there is no completely successful precedent of integrating a planned economy with market regulations, especially with the advantages of market regulation, so we cannot take any ready experience as a reference and have to seek the solution on our own. On the issue of how to handle the

relationship between planning and market, economists in our country successively put forward various viewpoints, such as the "plate theory," the "infiltration theory," the "coverage theory," and the "time and space theory," which were more influential than others.

Ma Hong mainly talked about the relationship between the planned economy and market regulation. From the angle of the planned economy having to make use of market regulation, first, when formulating national economic plans, consideration should be given to the conditions of gross supply and gross demand on markets and the tendency of the changes in this respect; second, national economic plans should be effectively fulfilled through the utilization of market competition and through the law of value; third, in the imposition of mandatory plans, consideration should be given to the interests of the enterprises and the prices fixed in economic plans should also reflect the supply and demand conditions of the commodities on the market.

From the angle of market regulation having to be in keeping with the planned economy, first, the general conditions of supply and demand should be subject to the overall control of the state, and the state's economic plans should influence the supply-demand pattern on the market; second, production decided by enterprises themselves should also be subject to the regulation of the state's economic and administrative means and to the mandatory and guidance plans, and even in the field of commodity production and circulation completely decontrolled by the state, the industrial policy formulated by the state and such economic levers as interest rates, tax rates, exchange rates, wages, prices, and administrative subsidies should still play a regulatory role in determining what the enterprises will produce, how many to produce, and the prices of the products.

Therefore, in the broad sense and from the macroeconomic point of view, it is completely possible to properly integrate the planned economy with market regulation. Even in the narrow sense and from the microeconomic point of view, the contents, forms, and degrees of planning and market may vary under different conditions, the relationship between the two sides cannot be regarded as those between two plates, because the planning mechanisms and the market mechanisms should be integrated and cover economic activities throughout society. Only by realizing the internal integration of planning with market in both theory and practice can we further improve and deepen our economic structural reform.

Hu Ping Letter on Planned Economy, Market

HK1904121390 Beijing JINGJI RIBAO in Chinese
2 Apr 90 p 1

["Minister of Commerce Hu Ping Writes Letter to JINGJI RIBAO Calling for Studying the Integration of Planned Economy With Market Regulation"]

[Text] "ECONOMIC DAILY" Editorial Department:

I am writing to you in the hope of urging through your paper the policy research organs, theory research units, and economic circles to explore and study an important problem of theory and practice: How should the planned economy be integrated with market regulation in the course of developing socialist commodity circulation?

Properly handling this problem is a critical point in deepening commercial reform and promoting development of the market. Reflecting on the 40-year process of development of the circulation domain of commodity, we can sum up quite a number of lessons and experiences.

During the 30 years before the Third Plenary Session of the 11th CPC Central Committee, under the historical conditions of shortage of commodities in the market and frequent political movements, socialist commerce resorted to a whole set of measures and methods of the planned economy, arranged and organized circulation of social commodities, ensured people's daily necessities, and developed initially the strong points of the socialist system. According to statistics, for most of these 30 years, some 80 percent or more of the total commodity volume of agricultural and sideline products were purchased through state-run businesses or supply and marketing cooperatives. Among the total volume of industrial products in the market, more than 80 percent were purchased and distributed through state-run businesses, also for a majority of the time. A foundation of stable prices in the domestic market was laid in a way that would promote production on the one hand and ensure supply on the other. Before 1978, there was a 20-year period in which the commodity supply was basically or crudely balanced with the purchasing power.

During the 30 years of practice of the system of planned economy, we have accumulated some valuable experience, but we should also perceive that the many abuses under the old system have seriously restricted the development of commodity economy. For example, neglecting the function of law of value; excess dependence on administrative means and instructed distribution; enterprises lacking vigor and motive; unitary circulation channel and monotonous operation style; backward commercial network and facilities; and small and narrow market, etc.

During the 10 years after the Third Plenary Session of the 11th CPC Central Committee, our country resorted to the principle of integrating the planned economy with market regulation, and in the light of malpractices of excess concentration and excess control, carried out a series of commercial system reforms aimed at opening up and invigorating. We have adjusted the policy on and the style of purchasing and marketing commodities; reduced the number of commodities planned for management; practiced the double-track price system for major commodities such as grain, oil, meat, egg, and others; and released control on the prices of some commodities. At the same time, when we ensured that the important commodities were grasped in the hands of

state-run businesses and supply and marketing cooperatives, we also expanded the sphere of market regulation and promoted quick development of commodity production and exchange. Purchasing and selling of commodities have been very active, and urban and rural markets have been prosperous. This 10-year period has seen the quickest growth of supply of commodity since the founding of our nation. In 1989, the purchased volume of social commodity hit 763.7 billion yuan, an increase of 440 percent over 1978. The scale of retail goods in the market has also expanded accordingly, and from 1978 to 1988, the increased retail volume of social commodity equalled 460 percent of the increased volume in the 26 years before the reform. In 1989, retail volume of social commodity increased by 420 percent over 1978, and after reducing the price factor, it was an average 9.1 percent increase per year. In addition, consumers have more convenience when shopping. The "old and difficult" problems causing trouble for people for years, such as difficulty in finding a place to eat, a barber shop, or a tailor shop, have been eased to some degree. In 1989, the number of people served by each commercial staff was reduced to 52 from 214 in 1978, while the conditions and facilities by which the service was provided have been greatly improved, and new commercial streets, department stores, and markets selling small commodities spread to all large and small cities and towns in the country.

The great changes brought to urban and rural markets and the practical benefits to the people by reform in the economic system have been visible to all. But we should also see the new problems arising from reform and opening up. For example: Because the purchasing power for social commodities grew too rapidly, the total volume of supply and demand in the market, as well as market structure, was very unbalanced; price increases were too severe, causing inflation; a strange "business craze" occurred in society, disrupting the normal circulation order; when breaking the monopoly by state-run businesses and supply and marketing cooperatives, the main channel was inappropriately weakened and the function restricted, and in particular the wholesale business as a "reservoir" could not gather water and play the regulatory function; some important commodities which have an important bearing on the country and on the people's lives, and which used to be grasped by the state, have dropped too rapidly in their proportion of being purchased and marketed, and have been interfered in by partial interests, to the extent that macrolevel regulation and control could not be attained. Since the rectification and improvement that was launched in the second half of 1988, the chaotic situation in the market has initially changed, the trend of rapid price increases has markedly slowed, various kinds of illegal and discipline breaking activities have subsided, and the entire circulation order has been heading in a good direction. However, judging from the overall situation, market development in our country is still inadequate, and the chaotic situation in the market is a manifestation of underdevelopment of the market. During the current process of rectification

and improvement, we must stress more the guiding function of plan, while at the same time grasping the chance to improve the developmental process and organization of the commodity market, because, without a fully developed market system under the state's macro-level regulation and control, there is no way to attain a smooth and orderly commodity circulation.

Hence, the old problem of "how should the planned economy be integrated with market regulation" has once again confronted us, and I was compelled to write this letter to you. We must proceed from the country's situation, and neither should we adhere rigidly to the traditional way of arranging the market, nor copy the Western theory for idealized market regulation. The difficult point of the problem rests on how we grasp the "degree" to which we integrate the planned economy with market regulation; that is, in light of different periods, of a different ownership system, of different businesses, of different places, and of different products, grasping the style and degree for appropriate adjustment and perfect integration to promote a sustained, stable, and coordinated development of national economy.

I hope that theoretical circles, public opinion, entrepreneurial circles, and people of various circles in the society discuss and study this problem, as well as look for the answer in the course of practice. Sincerely, [signed] Hu Ping 6 March 1990

Article Calls for Responses to Letter

HK1904122590 Beijing JINGJI RIBAO in Chinese
2 Apr 90 p 1

[Article by JINGJI RIBAO Editorial Department: "Earnestly Hope That This Will Evoke Discussion"]

[Text] The letter written to this newspaper by Comrade Hu Ping has raised a very important problem.

How should we attain the integration of planned economy and market regulation? This is a basic problem in the course of our country's reform of the economic system. At present, it has not been solved in actual economic work and has yet to be really looked into in the research on economic theory. Therefore we say, this is a problem in practice as well as in theory.

This problem involves various aspects of economic work. The way in which the planned economy is integrated with market regulation has an important bearing on the process of socialist commodity circulation and on socialist economic reform, economic construction, economic development, and economic life. Relations between the planned economy and market regulation are the most basic problem with the widest influence among the various economic conflicts we now face. To resolve various economic conflicts, and to straighten out various economic relations, it is unavoidable to touch upon the relations between plan and market.

This is an old problem which has not been solved for years, and the raising of it again today has a new

practical meaning. In particular, it is of significance to deepening economic reform and getting a good grasp on rectification and improvement. The core of reform in a socialist economic system is to gradually build an operation mechanism of socialist planned commodity economy, while the principle for building this kind of mechanism is precisely the integration of planned economy and market regulation. To the current rectification and improvement, the principle on integrating planned economy with market regulation is also important. Regardless of the control on total volume, structural adjustment, improvement of returns, and voluntary adoption of law of value—all are the goals to be attained by rectification and improvement—they are without exception closely linked to this principle.

Recently, Premier Li Peng pointed out in his government work report: Proper understanding and implementation of the principle on integrating planned economy with market regulation are critical problems of deepening and perfecting reform. He pointed out again that the way in which the planned economy is integrated with market regulation is a very complicated issue, that we do not have adequate experience in this work, and that it awaits continued exploration and ceaseless improvement. Precisely because of this, after receiving the letter from Comrade Hu Ping, we have not published it immediately, but carried out serious study and preparation and decided to launch a discussion on this important problem of practice and theory based on "how should a planned economy be integrated with market regulation." Therefore, while we enthusiastically recommend to our readers the letter from Comrade Hu Ping, we also hope that our readers, and in particular those of theoretical circles and of organs engaging in economic work, actively take part in this discussion in order to achieve a common consensus. Starting from today, this newspaper will open a special column and carry a series of reports and articles.

Enterprises' Foreign Exchange Problem Examined

HK1804133490 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 13 Apr 90 p 3

[Newsletter by staff reporter Cao Ruitian (2580 3843 1131): "Help Enterprises Balance Foreign Exchange—Tang Gengyao, Director of State Administration of Exchange Control, on Foreign Exchange Control"]

[Text] The problem of foreign exchange control has always been one of the problems with which enterprises with foreign investments are rather concerned. How do the foreign exchange market and control suit the development of the economic situation when credit is decreased and the foreign exchange investment orientation is brought under control in the present period of improving the economic environment and rectifying economic order? The reporter asked Tang Gengyao, director of State Administration of Exchange Control, to

state his views. Tang Gengyao came straight to the point, first putting forward the matter of foreign exchange channeling.

"The state policies and regulations concerning the control of the foreign exchange of the enterprises with foreign investments have remained unchanged from start to finish," Tang Gengyao said in a firm and unshakable tone: The channeling of the foreign exchange of the enterprises with foreign investments began after the promulgation of the State Council's "22 articles" in November 1986 that permit the enterprises with foreign investments to channel surplus foreign exchange to needy enterprises with foreign investments without price restrictions. At that time, although the state-run enterprises could channel surplus foreign exchange to needy state-run enterprises, the scope of channeling and prices was under certain control. There was only one market of the enterprises with foreign investments at that time. As of March 1988, an all-round contract responsibility system has been implemented in foreign trade and the situation has changed. At home, a foreign exchange channeling market has opened, the scope of channeling foreign exchange among the state-run enterprises has been widened, price control has been relaxed, and the state-run enterprises have been allowed to balance surplus foreign exchange and deficiency with the enterprises with foreign investments. There are now about 90 foreign exchange channeling centers in all places throughout the country, and they are all under the control and leadership of State Administration of Exchange Control. The prices in all foreign exchange channeling markets fluctuate on the basis of the relations between supply and demand, and the state may intervene in the event of abnormal fluctuation of the transaction prices but it has so far not intervened. The prices in all places vary but the national standard is, on the whole, almost the same.

"Can the foreign exchange market work out a method of stabilizing or guaranteeing prices to facilitate cost and profit calculation of the enterprises, as proposed by some places?" asked the reporter.

"I think that this is impossible because the market prices are determined on the basis of the relation between supply and demand. If the supply of foreign exchange is greater than its demand, prices will drop. If they are still high, it is not understandable. Because our foreign exchange market is not a free market but a market under state control, slightly more control is exercised over the state-run enterprises, but not so many restrictions are imposed on the enterprises with foreign investments. It is because the state does not implement the system of the settlement of foreign exchange in respect to the foreign currency earnings of the Sino-foreign joint ventures, Sino-foreign contractual joint ventures, and wholly foreign-owned enterprises. That is to say, foreign currency is sold to the state while all foreign currency earnings belong to the Sino-foreign joint ventures, Sino-foreign contractual joint ventures, and wholly foreign-owned enterprises. Therefore, the money in the foreign currency

deposit accounts of the Sino-foreign joint ventures, Sino-foreign contractual joint ventures, and wholly foreign-owned enterprises, including the investments of the foreign side and the debt capital, can be channeled to the needy ones; when they need foreign exchange to import raw materials and to embark on production within the scope of operation, they can buy it in the market without any restrictions; if the foreign exchange of some Sino-foreign joint ventures, Sino-foreign contractual joint ventures, and wholly foreign-owned enterprises is out of balance, they can, according to the decision of their boards of directors, buy foreign exchange in the market with renminbi and remit the profits that foreign businessmen should have. The foreign exchange market has developed very quickly over the past two years; especially the foreign exchange sold by the enterprises with foreign investments has increased," Tang Gengyao answered clearly and definitely.

"Furthermore, some foreign businessmen have also proposed that the state should give support in terms of foreign exchange in respect of the profits of the foreign businessmen in renminbi to protect the rights and interests of the foreign businessmen in investment," the reporter went on conveying the foreign businessmen's reflection.

Tang Gengyao said: "China is a foreign exchange-controlling country, and renminbi is not a convertible currency and cannot be freely converted. This is applicable to not only the enterprises with foreign investments but also the state-run enterprises. As far as foreign exchange control is concerned, the measures already adopted are of help in solving this question. According to the provision of the 75th Article of the Law of Joint Ventures, a balance between income and expenditure of the enterprises with foreign investments in terms of foreign exchange must generally be maintained. What can they do when their foreign exchange is out of balance and their profits in renminbi cannot be remitted? As mentioned above, foreign businessmen's profits in renminbi can be converted into foreign exchange in the channeling market and remitted. To help the enterprises balance their foreign exchange, the state also has other measures—for instance, with the approval of the Ministry of Foreign Economic Relations and Trade they can purchase Chinese products and export them in a specified period to get foreign exchange; foreign businessmen can reinvest their profits in renminbi in enterprises that can earn foreign exchange and can remit their legitimate profits from the foreign exchange earnings of these enterprises."

Results of Commodity Price Control Viewed

HK1804062790 Beijing JINGJI CANKAO in Chinese
28 Mar 90 p 4

[Article by Zhang Yu of the Research Institute of Commodity Prices of the State Administration of Commodity Prices: "Analysis and Thoughts on Commodity Price Control"]

[Text] After carrying out the improvement and rectification program for more than a year, we have been able to alleviate the general level of commodity prices, which once increased drastically. The general level of commodity prices in 1989 increased by 17.8 percent over that in 1988, which is slightly lower than the 18.5-percent increase in 1988. This figure, however, does not entirely reflect the results of the commodity price policies adopted in 1989 because the narrowing of the range of commodity price increases still fell short of the target, which was set at 3 to 5 percentage points lower than the previous year. Looking at this, we have not yet reached the target of the commodity price policies. However, the actual situation is not like this at all. We should say that the commodity price policies in 1989 have obtained remarkable results.

Commodity Prices in 1989

The trend and structure of the general level of commodity prices in 1989 possess the following three characteristics: First, the range of increase of the general level of commodity prices became narrower by the month. It decreased from 27 percent in January to 6.4 percent in December. In view of the fact that in China price changes come six months later than currency changes, the policy of tightening control over money supply really took effect in the second half of 1989. In as little as half a year, the commodity price index had decreased considerably. This clearly proves that we have obtained remarkable results in controlling commodity prices. Second, the proportion of same-year new increases in the general level of retail prices in 1989 is far lower than that in the previous year. Price hikes in 1988 increased the general index of commodity prices by 15.9 percent, whereas in 1989 price hikes increased the general level of retail prices by 6.4 percent, 9 percentage points lower than in 1988. Therefore, of the 17.8-percent increase in commodity prices in 1989, a large portion is attributable to the residual effect of the increases in 1988. This explains that the role of the task of controlling commodity prices in that year was remarkable. Third, there were more obvious decreases in the price index of the cost of living for the basic livelihood of city dwellers and in the price index of durable consumer goods, which is the most rapid in reflecting changes in demand and supply. The price level of the basic cost of living of city dwellers in 1989 increased by about 15 percent over the previous year, which is lower than the increase range of nationwide general retail prices in the same year. In December 1989, the price level of foodstuffs was basically stabilized at the level at the end of the previous year, and the prices of consumer goods fell considerably. This is of great help in stabilizing the psychological expectations of residents.

In 1989 consumer goods did not sell well and their prices fell. Moreover, means of production did not sell well and their prices dropped, too, including some steel products, cement, chemical raw materials, and automobiles. This has gradually narrowed the dual differences, and they

have gradually drawn closer to one another. This is conducive to solving the problem of prices under the dual system.

Target Cost Analysis

In view of the above, we believe that the task of controlling commodity prices in 1989 produced obvious effects. However, we must not only see the fact that the increased range of commodity prices in 1989 was slightly narrower than that in the previous year, but also should consider this the cost we paid and the method we used for reaching this target. We should also make comparisons between the "cost" and "returns" in commodity price control. In so doing, we can have a thorough understanding. We should admit that commodity price control in 1989 had obvious results. Nonetheless, we also paid an enormous cost to reach this target.

First of all, we greatly reduced the production rate by adopting some rigorous measures for the control of money supply. The growth rates of GNP and the national income in 1989 were 3.9 percent and 3.7 percent, respectively. The reasons for commodity price increases excluded, the commodity retail volume in society as a whole decreased by 7.6 percent from the previous year. The budgetary taxes and profits of industrial and commercial enterprises only increased by 0.2 percent over the previous year. Such a slow rate has not been seen for 20 years. This kind of rigorous control over money supply has caused considerable decreases in financial incomes and wages and in the number of unemployed people. It may cause commodity prices to "bounce back" more forcibly, adding new difficulties to commodity price control in the future.

Second, the financial subsidies used to sustain the stability of commodity prices have greatly increased. This has a great deal of negative influence on normal economic development and on further controlling commodity prices. Rigorous money supply measures have put many enterprises in danger of going bankrupt or closing down. In order to avoid serious unemployment and to ensure the basic daily needs of residents, workers, and staff, the state was compelled to increase subsidies for prices and to those enterprises that were losing money. These subsidies could not increase supply but increased social demand considerably. This will definitely be dangerous to the equilibrium of supply and demand and to the stability of commodity prices. The accumulated financial incomes from January to November in 1989 increased by 11.4 percent over the previous year, while expenditure increased by 13.4 percent. Expenditure growth has exceeded income growth and the deficit exceeded the state budgeted figure.

Third, the tight control over money supply in 1989 was guided by the principle of increasing taxes and reducing expenditure. However, it turned out that we scored good results in tax increases but unsatisfactory results in reducing expenditure. By increasing taxes we were able to control demand. However, this will probably seriously

harm supply growth. The budgetary profits of industrial enterprises in 1989 decreased by 18.8 percent, while taxes increased by 16 percent. Tax increases did not come mainly from the development of production but from the accumulations and the circulating funds of enterprises. This is one of the reasons enterprises are short of funds.

Fourth, the tight control over money supply in 1989 was not totally satisfactory. On the one hand, since residents' predictions fluctuated, their savings increased greatly, and the money reabsorbed increased considerably, with the result that the amount of capital input was 19 billion yuan less than the planned 40 billion yuan, causing serious sales sluggishness in the market. On the other hand, under the production difficulties, the state increased the scale of loans to relieve the current difficulties, with the result that the loan volume exceeded the planned 25 billion yuan and its growth rate was 17.5 percent, attaining the level of 1988. In the last two months of 1989 alone, loans increased by 99.1 billion yuan. No doubt this has added new difficulties to commodity price control in 1990. Because these loans cannot

directly increase ultimate demand, they do not play an obvious role in mitigating the sluggish market. The tightening and relaxing in the money supply policy has reflected, to a large extent, the actual demand of economic development. We must study what influence this will have upon the future.

Fifth, in order to stabilize commodity prices as its major target, in 1989 the state basically froze the planned price readjustment and reform, delaying the task of readjusting the price structure. This is equally unfavorable to the price control that comes afterward.

In short, we obtained remarkable results in commodity price control in 1989, but we also paid a huge cost. Although this strict money control policy, which is only aimed at reducing the increase range, has had obvious results within a short time, it cannot be used for a long time. So, how we can properly readjust the current tightening policy and the commodity price policy in such a way that the general target of improvement and rectification can be reached has become the major problem in the current economic policies.

Southwest Region

Guizhou Secretary Visits Provincial Party School

HK2104044890 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 17 Apr 90

[Text] On the morning of 15 April, provincial party and government leaders, including Liu Zhengwei, secretary of the Guizhou Provincial CPC Committee; Wang Chaowen, deputy secretary of the Guizhou Provincial CPC Committee and concurrently governor of Guizhou Province; Long Zhiyi, deputy secretary of the Guizhou Provincial CPC Committee, Chang Zheng, director of the Propaganda Department of the Guizhou Provincial CPC Committee; and Lu Yuanshan, chairman of the Guizhou Provincial Nationalities Affairs Commission, went to the Guizhou Provincial CPC School to see students in the classes aimed at training cadres of ethnic minorities.

In the provincial party school, provincial party and government leaders put forward new demands on the work of training cadres of ethnic minorities.

Comrade Wang Chaowen delivered a speech first.

In his speech, Comrade Wang Chaowen expressed the hope that all the graduates from the provincial party school will steadfastly adhere to "One Center, Two Basic Points" and continue to carry out explorations and theoretical study after returning to their respective units. If a new generation of relatively young cadres of ethnic minorities, who fully understand Marxism, can join hands with the cadres of the Han Nationality in Guizhou, Guizhou's work will certainly be pushed ahead. All the cadres of ethnic minorities in Guizhou should adhere to the socialist road, promote Guizhou's development, and work hard to bring prosperity to Guizhou.

Comrade Liu Zhengwei also delivered a speech in the provincial party school.

In his speech, Comrade Liu Zhengwei mainly discussed the following three questions: 1) To fully understand the great importance of training cadres of ethnic minorities and the historical mission shouldered by cadres of ethnic minorities so as to strengthen sense of urgency and sense of responsibility on the part of all the comrades engaged in the work of training cadres of ethnic minorities; 2) To continue to improve ways and means aimed at training cadres of ethnic minorities; 3) To comprehensively improve the quality of all the students of provincial party schools.

Comrade Long Zhiyi also delivered a speech in the provincial party school.

Before leaving the provincial party school, provincial leaders took a group photograph with all the students of the provincial party school.

Sichuan CPC Secretary Views External Relations

HK2104042690 Chengdu Sichuan Provincial Service
in Mandarin 0915 GMT 17 Apr 90

[Text] The Sichuan Provincial Association for Friendship With Foreign Countries convened a meeting in Chengdu today.

The meeting was mainly aimed at relaying and implementing the spirit of a recently concluded meeting held by the Chinese People's Association for Friendship With Foreign Countries, exchanging work experiences, and discussing specific ways and means aimed at further developing Sichuan's existing friendly relations with foreign countries and regions.

Yang Rudai, secretary of the Sichuan Provincial CPC Committee, attended and delivered a speech at the meeting.

In his speech, apart from asking all the comrades concerned to acquire a sober-minded and correct understanding of the current international situation, Comrade Yang Rudai also urged all the comrades concerned to actively carry out a variety of activities aimed at boosting Sichuan's existing friendship with foreign countries and regions at a non-governmental level by making more foreign friends and doing more businesses with foreign countries and regions.

Comrade Yang Rudai held that since Sichuan is situated in the hinterland of China, all the comrades concerned must redouble their efforts to promote the development of friendship with foreign countries and regions with a view to further pushing ahead with Sichuan's economic development.

Comrade Yang Rudai stressed that continued efforts must be made to consolidate Sichuan's existing friendly relations with foreign countries and regions, strengthen cooperation between Sichuan and foreign countries and regions in both political and economic spheres, and make more foreign friends through various channels.

Tibetan Monks Protest Expulsions, Restrictions

HK2304014390 Hong Kong SOUTH CHINA
MORNING POST in English 23 Apr 90 pp 1, 8

[By David Chen]

[Text] Monks in Tibet have closed places of worship and left their monasteries to protest against the expulsions of dozens of monks and nuns from monasteries and nunneries in and near Lhasa, sources said last night.

Various reports received by the Tibet Information Network in London indicated that no violence was involved.

Sources said they believed the action by the Tibetan authorities might have been triggered by violence in southwestern Xinjiang.

Authorities admitted 22 people had died in the Xinjiang riots over what Western reports claim to be religious restrictions.

The information received by the London office said the first action took place at the Drepung monastery, six kilometres west of Lhasa, last Monday [16 April] when 37 monks, all elderly and well-educated, were expelled.

On the following day, 18 were driven out of the Ganden Monastery, 40 kilometres east of the Tibetan capital. On the same day, seven of the 69 monks resident at Jokhang, Tibet's most sacred temple, were also ejected.

Other reports—yet to be confirmed—said more than 150 nuns had been expelled from four nunneries near Lhasa.

The day after police action at Drepung, the sources said, the monks held a gathering and demanded that the authorities reverse the expulsion orders.

When the authorities refused, the walkout began with the monks returning to their villages and Drepung is now "like a graveyard", one source said.

But it was at Sera Monastery, three kilometres north of the Tibetan capital, that a massive walkout took place.

Up to 200 monks left last Thursday, locking the doors of all the temples. They took action when authorities forcibly expelled three elderly lamas.

Another source said there appeared to be two factors that prompted the monks' action.

Earlier, the authorities had forbidden the three monasteries to hold religious gatherings. Secondly, the monks expelled by the authorities were well educated and who, in effect, were the religion's senior teachers.

Their removal was regarded as a move to destroy the traditional Tibetan education system.

Monks at Drepung, where the current wave of unrest began in 1987, were said to be "devastated" by the expulsions there. The 37 expelled from the monastery included many senior philosophy students, who are regarded as future religious leaders.

The expulsions have come at a time when the Dalai Lama is preparing to address the political affairs committee of the European parliament, despite strong Chinese protests.

The speech on Wednesday will be the spiritual leader's first ever address to a European parliament.

Northwest Region

Xinjiang 'Counterrevolutionary Rebellion' Quelled

OW2204052090 Urumqi Xinjiang Television Network in Mandarin 1300 GMT 21 Apr 90

[Text] A counterrevolutionary armed rebellion plotted by a very small number of ruffians recently took place in Baren Township in Akto County in Kizilsu Kirgiz Autonomous Prefecture. The rebellion has been suppressed and normal social order has been restored.

Some of the ringleaders of the counterrevolutionary rebellion are murderers on the run, some are former inmates of reform-through-labor camps, and some are habitual thieves and villains. Working in collusion, they formed a counterrevolutionary organization and conspired to oppose the CPC and the People's Government.

Acting like tyrants, they forced the masses to give them food and money in order to amass the supplies they needed. They also had weapons and ammunition ready for carrying out the rebellion.

On 5 April during the (Bajia) Festival, the ruffians forced some ill-informed masses to make trouble. When cadres of the prefectural and county authorities went there to dissuade and stop them, and when Armed Police and public security personnel went there to maintain order, they ignored their advice, surrounded them, and stopped them from leaving the courtyard of the township government building. They also frenziedly stopped and attacked the public security personnel who went there to perform their duty, robbed them of their weapons, ammunitions, and (?uniforms), and killed six Armed Police officers and fighters, injured 13 others, and destroyed four police vehicles. Although the Armed Police, the public security personnel, and cadres of the prefectural and county authorities repeatedly reassured them with government policies, they turned a deaf ear to them. They were swollen with counterrevolutionary arrogance.

Early in the morning on 6 April, they fired at the surrounding Armed Police, public security personnel, and cadres of the prefectural and county authorities, hurled bombs at them, and hurt three Armed Police personnel. This forced the Armed Police to fire skyward to warn them. The warning, however, was useless. The ruffians continued to frenziedly fire at the courtyard of the township government building and to throw bombs into it. Later they blasted away the wall surrounding the township government building.

To protect the township government and the people, the Armed Police, the public security personnel, and militiamen of all nationalities counterattacked and gave chase to the small number of ruffians who had guns and who tried to resist. They killed 15 ruffians. During the pursuit, a cadre of Uygur nationality died and three officers and men were injured. Thanks to the support

from local people of all nationalities, the counterrevolutionary armed rebellion was promptly suppressed.

Now normal social order has been restored in Baren Township. With assistance rendered to them from the party and the government, people of all nationalities are now busily engaged in spring farming.

CPPCC Officials Urge Stability

OW2204122990 Urumqi Xinjiang Television Network
in Mandarin 1300 GMT 21 Apr 90

[Announcer-read statements over video by Han Youwen and Tayier Maimaitili, vice chairmen of the Xinjiang Autonomous Regional Committee of the Chinese People's Political Consultative Conference, CPPCC]

[Text] The following are television statements by Han Youwen and Tayier Maimaitili, vice chairmen of the autonomous regional Chinese People's Political Consultative Conference [CPPCC] Committee, on strengthening national unity and opposing splittism to ensure political stability in Xinjiang. [video shows Han Youwen, dressed in a Western business suit and tie and seated on a sofa, as he reads from a prepared script] Han Youwen says: In view of the current new situation at home and abroad, I believe that members of CPPCC organizations and the democratic parties at all levels, as well as people from religious circles, should conscientiously work for overall stability, should strengthen national unity, and should safeguard the motherland's unification and the autonomous region's political stability and unity. They should regard these things as their primary tasks. Everyone should do his or her utmost to achieve stability. Xinjiang is a multinational region. Under the kind concern and guidance of the party Central Committee and the autonomous regional party committee, people of all nationalities in the region have earnestly implemented the law on autonomy for minority nationality regions, and have done a remarkable job in achieving national unity. However, we should not underestimate splittist activity to undermine national unity, which is carried out by a very small number of people who have ulterior motives. We must encourage the public to show strong indignation against those who practice splittism and who undermine national unity. It is always necessary to maintain vigilance against those who practice splittism and carry out sabotage under the pretext of religion. Any sabotage activity must be exposed and dealt with mercilessly. We must wage a resolute struggle against any tendency toward splittism. Under no circumstance should we allow anyone to manipulate religious activities to undermine the excellent situation of stability and unity in Xinjiang.

[Video shows Tayier Maimaitili, dressed in a Western suit and tie and seated on a sofa, as he reads from a prepared script] Tayier Maimaitili says: For a long time, the small number of national splittists at home and abroad have been unreconciled to their defeat. Some of them have attempted to undermine national unity, and

have split the unified motherland under the pretext of religion. They are the common enemy of the people of all nationalities. The people of all nationalities in the region should unite as one, take a clear-cut position in upholding the four cardinal principles, and resolutely oppose any scheme to split the motherland. Political stability and unity are indispensable for the smooth progress of the modernization drive. National splittism is the main threat to Xinjiang's stability. Therefore, we must maintain high vigilance. Under no circumstances should we allow a plot aiming to undermine national unity and split the unified motherland to succeed. The cadres and people of all nationalities in Xinjiang must foster a strong national concept based on Marxism-Leninism-Mao Zedong Thought, and on the idea of our inseparability from socialism and the Communist Party, in striving to safeguard national unity and political stability and unity.

Commentary Views 'Splittism'

OW2204103890 Urumqi Xinjiang Television Network
in Mandarin 1300 GMT 21 Apr 90

[Announcer-read commentary by Xinjiang People's Broadcasting Station and Xinjiang Television Station: "Practicing Splittism Goes Against the Will of the People"]

[Text] With vigorous support from the masses of all nationalities, our armed police, public security cadres and police, and militiamen of all nationalities took concerted action in instantaneously smashing a counterrevolutionary armed rebellion, which was plotted by a very small number of ruffians in Baren Township in Akto County on 5 April. This is an event of great significance regarding safeguarding the unification of the motherland, strengthening the unity of the nationalities, and developing the excellent situation in Xinjiang.

The counterrevolutionary armed rebellion in Baren Township has further enabled us to recognize that the primary danger in Xinjiang comes from splittist forces inside and outside the country. They have never stopped their scheme of attempting—in vain—to separate Xinjiang from our great motherland. This counterrevolutionary armed rebellion has taught some good and honest people through negative example that under no circumstances should they relax their vigilance against or cherish illusions regarding the scheme of the splittists. The struggle against splittism will be a protracted, complicated, and arduous one. We must carry the struggle through to the end.

The counterrevolutionary armed rebellion in Baren Township was not caused by either nationality or religious problems, but by extremely reactionary political forces whose aim was to undermine the motherland's unification and unity among nationalities and practice splittism of nationalities. These reactionary political forces set up a counterrevolutionary organization and carried out premeditated activities against the Communist Party and the people's regime. What they did is

completely against the vital interests of the people of all nationalities and, of course, is resolutely opposed by the people of all nationalities. What they did was doomed to failure. With the party's strong leadership, the resolute support of the people of all nationalities who endorse the party and socialism, the dictatorship of the proletariat as our pillar, and the powerful backing of public security and armed police units, we are entirely capable of smashing various criminal schemes by counterrevolutionaries to subvert, sabotage, and undermine the unification of the motherland.

At present, the political and economic situation in the region is good, it is stable. However, destabilizing factors still exist. In the wake of the counterrevolutionary armed rebellion in Baren Township, party organizations and people's governments at all levels throughout the region should conduct an extensive and penetrating education among the cadres and masses of all nationalities on upholding the four cardinal principles, and on opposing bourgeois liberalization. Party organizations and people's governments at all levels should educate the cadres and masses to love the motherland and safeguard its unification, and to oppose peaceful evolution and splitism, thereby doing an even better job of achieving stability.

Stability is a task of overriding importance. Without stability, nothing can be accomplished, and the policy of reform and opening to the outside world and the drive towards modernization will get nowhere. The ultimate interests of the people of all nationalities lie in stability. Party organizations and people's governments at all levels should see to it that the work in all fields is arranged in such a way that stability is regarded as the central task. It is necessary to firmly expose and crack down on the very small number of people clinging to bourgeois liberalization and splittism of nationalities, to the undermining of the motherland's unification, in order to further consolidate and develop the excellent situation of stability and unity in our region.

'Rebellion' Quelling Detailed

OW2304013990 Urumqi Xinjiang Television Network in Mandarin 1300 GMT 22 Apr 90

[Text] In the first spring of the 1990's, people living in the oasis beneath Mount Kunlun are busily engaged in spring farming. Encouraged by the Sixth Plenary Session of the 13th CPC Central Committee, people of all nationalities are working hard in unity. They are confident that they will have the 13th bumper harvest year in a row.

A dark cloud, however, drifted onto the blue sky. Hiding in a dark corner, a very small number of reactionary elements in Baren Township in Akto County in Kizilsu Kirgiz Autonomous Prefecture conspired a shocking counterrevolutionary armed rebellion. Some of the ring-leaders are murderers on the run, some are former inmates of reform-through-labor camps, and some are habitual thieves and villains. Working in collusion, they

formed a counterrevolutionary clique and, in a planned and organized manner, carried out their criminal activities of opposing the CPC and the People's Government, splitting the motherland, and undermining national unity.

[Video shows a dossier of documents written in the Uyghur language with caption on the screen that reads "Sacred War Law and Regulations." As the male narrator proceeds with his announcement, video shows closeup shots of the other pages of the documents with captions that read: "The purpose of the sacred war is to kill the heathens, oppose the heathens, and use our hands and language to rebuff them. For the sake of struggling against your enemy, we should use weapons and horses to deal with Allah's and your enemy. You should practice shooting, and Muslim women should also fight." After some more closeup shots of documents written in the Uyghur language, video shows a passage written in Chinese that reads: "All people of the Turkish nationality, unite. Long live the great East Turkistan!"]

This gang, under the banner of religion, incited a religious craze, and wildly proclaimed the launching of a sacred war to eliminate the heathens. These are the Sacred War Law and Regulations concocted by the commander in chief of the rebellion at [place name indistinct]. In an utterly vicious manner, he clamored: We should not merely pray five times a day. We must fight. Our purpose is to eliminate the heathens. We must attack them. He also clamored: All Muslims must take part in the fight to eliminate the heathens. Even Muslim woman must kill the enemy. They concocted reactionary slogans, saying that they would establish a Republic of East Turkistan, that Islam will triumph over Marxism and Leninism, that they would form dare-to-die squads of Muslims, and that they would oppose socialism and resolutely eliminate the heathens. They formed a counterrevolutionary organization called the Islamic Party of East Turkistan and secretly recruited members. They met many times to instigate a rebellion. They deceived the masses and forced them to take oaths to take part in the sacred war.

Since mid-March, the activities of this gang of reactionaries became increasingly open. Acting like tyrants in rural areas, they forced the masses there to contribute food and money. People who refused to do so were ruthlessly beaten. Since the start of Ramadan on 27 March, these villains became even more outrageous. They proclaimed that they would cut the hair of all women found on the streets, and destroy the restaurants that opened to do business. Look, these restaurants were forced to have their doors locked. Some women who tried to buy sour milk had their jars kicked away. Tobacco sellers had their tobacco thrown on the street. They did their best to incite national hatred and separation.

They intensified their efforts to amass weapons and ammunitions, purchased long knives, and produced dynamite packs and grenades. They also sent people to

other parts of the country to purchase horses. They recruited dozens of young people and taught them the skills of fist-fighting, wrestling, and how to throw grenades. They gave each one of these young people a pair of white mountain climbing sneakers and a lethal weapon so that these young people would serve as their hired thugs during the rebellion.

[Video shows daggers, rusty tin cans, homemade bombs, some handguns, and rifles, with caption on the screen reading: "These are some of the weapons they amassed." Video then shows closeups of some handguns, moving downward to show an explanation card that reads "10 54-type handguns, one 64-type handgun, one 81-type rifle, one 85-type submachinegun, one 79-type gun, and 117 bullets of various types." Video pans to show more guns and weapons on display. Another caption reads: "These are some of the long swords and daggers they bought." While showing a caption that reads "These are part of the handgrenades and dynamite packs they made," video continues to show pictures of fuses, dynamite packs, four "axes that ruffians used to kill armed police fighters," cash, and two horses. The caption reads: "These are part of the cash and horses they collected for the rebellion." Video then cuts to show scenes of a confrontation between crowds of civilians and personnel in uniform. A large crowd is seen pushing forward, trying to break the gate and enter the township government building compound.]

Upon being informed of the seriousness of the situation, authorities of the Kizilsu Kirgiz Autonomous Prefecture and of Akto County immediately sent cadres there to dissuade and stop the ruffians. However, these reactionaries not only totally disregarded the admonitions of the party and the government, but became even more outrageous. On 5 April, these reactionaries, taking advantage of (Bajia) Day when peasants go to the market, forced the masses to take oaths. Early in the morning, they assembled nearly 200 people to swagger around before the township government building. As they moved along, they recited their sacred war oaths. Then they prayed together and made deliberate efforts to create trouble. To prevent a deterioration of the situation, the autonomous prefecture and Akto County governments sent more armed police and public security personnel to Baren township to maintain order. Then the ruffians incited the ill-informed masses to surround and attack them, confined them within the courtyard of the township government building, and hurled rocks at them, injuring some fighters of the armed police force.

[Video shows shield-wielding personnel in uniform protecting the gate of the township government building, shots of rocks on the ground, shots of an overturned vehicle, and shots of bullet holes on top of the vehicle.] The situation gradually escalated. The ruffians proclaimed that they would never retreat and would fight to the end. They destroyed vehicles of the Armed Police force, injured the drivers, and brazenly held five public police as hostages. They robbed their guns, ammunitions, walkie talkies, and uniforms.

[Video shows pictures of a destroyed jeep with bullet holes in its body and a deflated tire, a uniform, several bodies with large wounds behind their necks, shots of a dead body of what appears to be an officer floating in a cesspool, and a body with several bullet wounds in its chest.] The situation took a sharp turn for the worse in the afternoon. Shortly after 1100, a deputy political instructor of a border guard unit in Akto county and three other fighters went to Baren township in a jeep on a liaison mission. They were stopped by a bridge in a location about one kilometer away from the township government building. The ruffians raved: You see, (Huoda) has delivered four heathens to us. Kill them. Then they robbed their guns and ammunitions, overturned their vehicle, and brutally hacked them to death with axes and long knives. These are the horrid scenes of what the murdered Armed Police looked like. [video shows shots of wounded and mutilated bodies]

Shortly afterward, Ailiyasheng, deputy commander of the sixth company of the second battalion of the Kashi Armed Police Detachment, went to the township government by [word indistinct] motor vehicle to carry out his mission. He was accompanied by squad leader Wu Yong and Tian Chongfeng, a deputy squad leader. When they reached the bridge, they were again stopped by the ruffians. Their vehicle was blocked and pushed to the gully under the bridge. Their weapons and ammunitions were robbed. Ailiyasheng was knocked unconscious. Tian Chongfeng was stabbed in nine places, and he died instantly. Wu Yong was dragged into a room. There, he first was brutally beaten with wooden sticks and shovels, and then was hanged on a stake by his hair; because of this, his scalp was torn away. In addition to this, he was stabbed in more than 30 places. His left leg was broken and his body was later buried in a toilet. This is the way these utterly vicious ruffians expressed their deep hatred toward the party and the people. [Video cuts back to show scenes of shield-wielding armed personnel guarding the gate of the township government building, cutting to show pictures of loudspeakers installed on the top of a cylindrical-shaped tower]

Meanwhile, in spite of the great danger, the cadres, Armed Police, and public security personnel confined at the courtyard of the township government building persisted in using loudspeaker equipment to publicize party and government policies and urge the ruffians to leave. The ruffians, however, continued to act willfully. They ignored the admonition, and came up with many unreasonable demands, such as demanding that all personnel in the township government building leave the building before a deadline.

[Video shows an unidentified male speaking in Uyghur to what appears to be a reporter. While he talks, a brief written translation appears on the screen. It reads: "On the evening of 5 April, the ruffians surrounded the township government building. Time and again, we used loudspeakers to persuade them to leave. Not only did they refuse to listen to us, but they hurled grenades into the courtyard." Video then shows a foggy scene, cuts to

show bullet holes on the wall of the Baren Township government building, empty shell casings on the floor, and wounded soldiers receiving first aid. Video next shows shots of armed personnel tracking down rebels on tree-lined dirt roads and in wooded areas, shots of the body of the rebellion commander, identified on the screen as Zaiyiding Yusupu, and another body. Video then shows shots of armed personnel searching the bodies of captives, shots of captives being taken away, and a big crowd of people listening to speeches given by unidentified personnel.]

Early in the morning of 6 April, the ruffians started to open fire at the Armed Police in the courtyard of the township government building and hurled bombs into the courtyard, injuring three Armed Police instantly. Shortly afterward, they injured another two. Although the Armed Police warned them by firing shots into the air, the warning was useless. Acting even more wildly, the ruffians opened fire on the Armed Police in the courtyard, and hurled bombs at them, destroying the courtyard wall in three places and launching their fierce attack against the armed police. Unable to tolerate this any longer, officers and men of the Armed Police and public security personnel counterattacked in a restrained manner. Zaiyiding Yusupu, commander of the rebellion, and another ruffian were killed. Three other ruffians committed suicide by pulling the safety pins from their hand grenades.

On the afternoon of 6 April, reinforcements and militiamen of various nationalities arrived. With the people's all-out support, the rebellion was suppressed in one stroke. While some leaders of the armed rebellion were captured, a dozen or so ruffians fled with their guns. Continuously engaged in the pursuit all day and night in close coordination with militiamen and people of all nationalities, personnel assigned to encircle and suppress the ruffians killed nine who resisted, and captured all the rest.

People of all nationalities in Baren Township angrily expose the ruffians' crimes and actively assist the government to track down the hidden rebels. [Video shows more minority people addressing crowds in an open space, then cuts to show some elderly people of minority nationalities talking through an interpreter to a reporter holding a microphone. While one talks and the interpreter translates, the following caption appears on the screen: "A peasant of Haohan village in Baren Township says: The ruffians forced us to pledge food and money. Because they threatened me, I promised to give them 10 yuan. However, the ruffians said that was too little, and told me they would come back at night to rob me." The camera then moves to another middle-aged minority peasant in Baren Township telling how ruffians demanded food and money from him and threatened to take away his goats. Video cuts to shots of three captives holding white cards with Chinese characters telling their names, ages, places of birth, and the date of their capture. The Chinese characters on the cards are not fully legible on the screen.]

These are the pictures of several brutal rebels. The body of this murderer is stained with the blood of an Armed Police fighter. [Video shows shots of a young man in his mid-twenties talking in a minority language. Blood stains are visible on his shirt. While he talks, the following translation appears on the screen: "This ruffian confesses: Other gang members gave me a knife and an ax, and told me to kill any person of Han nationality I saw. Using my ax, I struck the head and neck of an Armed Police fighter three times."]

In the face of the powerful dictatorship of the proletariat, the ruffians confessed their crimes to the government one after another. Here is a criminal turning over the handgun and other tools of rebellion hidden in his house. [Video shows Armed Police personnel asking local people to lead the way; shots of their arrival at a village house, and other personnel in uniform or civilian clothing walking in the field; and shots of the discovery of a handgun buried in the ground]

Party and government leaders at all levels attached great importance to the suppression of the counterrevolutionary armed rebellion in Baren Township, and they expressed their firm support for the suppression. After the rebellion was suppressed, regional and local leaders visited the township and gave guidance on what should be done following the suppression of the rebellion. They visited the families of the martyrs who died in suppressing the rebellion, visited the wounded personnel, and visited cadres and fighters of various nationalities who contributed to the suppression of the rebellion. The people's government of the autonomous region has also earmarked special funds to help Baren Township resume production.

[Video shows a group of unidentified males in uniform and civilian clothing walking on a dirt path toward the camera while clapping their hands. Soldiers lining the road are also seen clapping hands. The video then cuts to show closeups of officials talking to minority people. At one gathering of a couple of hundred people, an unidentified official is heard saying, briefly: Our main purpose here in Baren Township is to see you. Video then cuts to show shots of some big characters written in both Chinese and Uygur on white paper hanging above the entrance of a building. The characters read: "Ceremony to pay last respects to the remains of Comrades Xu Xinjian, Lu Jianhui, Wang Jingping, and Guo Xuewen." It then shows the wreaths from the "PRC Ministry of Public Security" and other units delivered to the memorial hall, and head shots of seven individuals.]

During the suppression of the rebellion, seven comrades died heroically in defending socialism and the People's Government and in safeguarding the unification of the motherland and the unity of the people. [video shows footage of unidentified civilian officials and military officers bowing to the remains of individuals in caskets, cutting to show head shots of seven individuals]

On 10 April, cadres and people of all nationalities in Baren Township and Akto County, with deep grief, paid their last respects to the remains of the martyrs. The heroic names of the martyrs will go down in history forever. The motherland will not forget you. The people will not forget you. People of all nationalities will carry on your unfinished task and carry forward the great socialist cause. [video shows green crops and people tending their croplands]

Now the social order in Baren Township has been restored. With assistance from the party and the government, people of all nationalities are working hard with their spring farming. They are determined to make up the losses caused by the rebellion and usher in a new tomorrow with hard work.

Xinjiang's Song on Implementing CPC Guidelines

OW2104222790 Urumqi Xinjiang Television Network
in Mandarin 1300 GMT 19 Apr 90

[Announcer-read report; from the "Xinjiang News" program]

[Text] Recently, the Autonomous Regional Party Committee devoted itself to seriously relay and implement the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee, to maintain close ties between the party and the masses, and to push forward all work centering around stability.

In accordance with the regional party committee's plan, Song Hanliang presented the following five-point proposal on implementing the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee: First, make earnest arrangements for relaying and studying the guidelines of the sixth plenary session. Second, carry out the decisions adopted by the sixth plenary session and conscientiously strengthen the ties between the party and the masses. Third, continue to make unremitting efforts to promote stability. Fourth, continue to better grasp the economic work. And fifth, strengthen party leadership, strengthen unity in all fields, and make concerted efforts to implement the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee.

Xinjiang Implements Regional Autonomy Law

OW2204202490 Beijing XINHUA Domestic Service
in Chinese 2350 GMT 20 Apr 90

[By reporter Wang Youfu (3076 2589 1381)]

[Text] Urumqi, 21 Apr (XINHUA)—Since the promulgation of the "Law on Regional Autonomy of Minority Nationalities of the People's Republic of China," it has been fully implemented in Xinjiang Uygur Autonomous Region of China's northwest where people of various nationalities are residing. The implementation of the law has played an important role in strengthening the unity of people of various nationalities, protecting the unification of the motherland, speeding up the development of

economic and cultural work in the autonomous region, and promoting the joint prosperity of people of all nationalities.

Since the establishment of Xinjiang Uygur Autonomous Region in 1955, attention has been paid to cultivating and employing cadres of minority nationalities. Following the promulgation of the Law on Regional Autonomy of Minority Nationalities of the People's Republic of China, the autonomous region has attached greater importance to training and employing cadres of minority nationalities, and the number of minority cadres in this respect has been constantly increasing. According to a statistical report, cadres of minority nationalities now account for 46 percent of all cadres in Xinjiang. The chairman of the autonomous region, the commissioners of various autonomous prefectures, and the heads of various counties; chairmen of people's congresses of the autonomous region, various autonomous prefectures and various counties; and commissioners of eight prefectural administrative offices and mayors of 14 cities at the county level—all are people of minority nationalities. Among the members of the Standing Committee of the Xinjiang Uygur Autonomous Regional People's Congress, 65 percent are people of minority nationalities. Among the component members of the Xinjiang Uygur Autonomous Regional People's Government, 64 percent are people of minority nationalities.

In recent years, there has been heartening changes in the structure of cadres of minority nationalities in Xinjiang. The number of professional and technological cadres of minority nationalities has been rapidly increasing. As of end of last year, there were more than 148,000 professional and technological cadres of minority nationalities in the autonomous region, accounting for 45 percent of the total number of professional and technological cadres in the autonomous region. Contingents of minority cadres in the fields of political and economic affairs, cultural and educational work, medical care and public health, and sports have been formed in the autonomous region.

In accordance with the stipulations of the Law on Regional Autonomy of Minority Nationalities, Xinjiang has formulated a series of special policies and flexible measures in the light of the special local situations in the autonomous region and the special characteristics of people of minority nationalities. These policies and measures are designed to expedite the pace of economic construction and raise the living standard of people of various nationalities. In order to further open to the outside world, Xinjiang has formulated preferential policies to attract foreign capital. Approved by the State Council, Xinjiang has successively opened trading ports to Pakistan, the Soviet Union, and Mongolia. In order to expedite the change of the poor and backward outlook of Kashi Prefecture, Hetan Prefecture, and Kizilsu Kirgiz Autonomous Prefecture in the south of Tian Shan, the autonomous region has specially formulated special regulations to help poor people in the three localities. It has

been increasing funds to help the poor each year and has raised financial subsidies for those localities. The autonomous region has also made a decision to expedite the development of animal husbandry in northern Xinjiang and gradually help herdsmen there establish settlements or semi-settlements. In addition, the autonomous region has implemented measures to give priority to the development of production and marketing of special commodities needed by minority people. In last year, the total output value of industrial and agricultural production in the autonomous region increased by 20.3 billion yuan as compared with that in 1984. Local revenue also increased by 910 million yuan over 1984. The total value of export reached \$339 million, setting an all-time record. The average per capita net income of peasants of various nationalities reached 545 yuan, increasing by 173 yuan as compared with that in 1984. Some 67,000 poor families have solved their problems of food and clothing. In the past 4 years, 272,300 poor families have changed their economic conditions, accounting for 77 percent of the total number of poor families.

In implementing the Law on Regional Autonomy of Minority Nationalities, the state has given great support and preferential treatment to Xinjiang, including planned investments, financial subsidies, preferential interest rate and assignment of technological personnel in order to help Xinjiang develop economic construction. During the period from 1984 to 1989 alone, the state provided fixed and special financial subsidies to Xinjiang with a total amount as high as 10.9 billion yuan.

The development of education for people of minority nationalities has raised the people's quality of life, and this is also a concrete benefit to people of various nationalities as a result of the promulgation of the Law on Regional Autonomy of Minority Nationalities. In the past 5 years, Xinjiang has been proportionally increasing educational funds for minority people. In the area of enrollment of students by universities and technical secondary schools, appropriate preferential treatment has been given to outstanding minority students to increase the number of minority students admitted by those schools. As of end of 1988, the proportion of minority students in schools of different types at various levels increased by 10 percent as compared with 1983, the year before the promulgation of the Law on Regional Autonomy of Minority Nationalities. Students of Uygur, Kazak, Mongol, Kirgiz, Xibe, and Russian nationalities all have their own schools.

The full implementation of the Law on Regional Autonomy of Minority Nationalities has strengthened the unity of and further improved the relations among people of various nationalities in Xinjiang. As of the end of last year, 206 units at and above the county level in the autonomous region were selected and named model units in promoting national unity. In addition, the autonomous region has also recognized more than 9,000 advanced collectives and more than 37,000 advanced individuals for promoting national unity.

Commentary Views Dissident Chai Ling's Interview

OW2004175090 Taipei CNA in English 1448 GMT
20 Apr 90

[Commentary by the Broadcasting Corporation of China: "Chai Ling Speaks Out"—"it does not reflect the opinion of CNA"]

[Text] Taipei, April 20 (CNA)—Escaped mainland Chinese student dissident Chai Ling told foreign reporters on Thursday [19 April] that the Chinese Communist regime's days are numbered, and that Peking should heed warnings from the people before it is too late.

Miss Chai made the remarks at her first press conference since reaching freedom in Paris last week. Chai was spirited out of mainland China after a ten-month, life and death game of hide-and-seek on the mainland. Following the Tienanmen massacre of last June fourth, Chai was placed on Peking's most wanted criminal list, for her leadership role in the anti-communist protests that took place last spring in Tienanmen Square.

Chai spoke freely about her views on the current status of the pro-democracy in the communist-occupied Chinese mainland. But she reserved no comment on the logistics of her escape from the mainland. Chai only praised the hundreds of people who helped her escape via an underground network. She did say, however, that sympathy for the pro-democracy cause is very widespread, and that she was even helped in some cases by Communist Party officials and soldiers.

Chai's main message to the world press was that resistance to the communist regime in Peking is widespread and growing quickly. She said anti-communist cells are growing everywhere and stronger by the day. Some formed before the massacre, others in response to it.

Chai revealed that even before the students were forced from the square, they had counted on encountering severe repressive force from Communist authorities. But, in answer to a question that implied the students brought on the violence themselves, by not leaving the square when ordered, Chai said that they had to hold their ground. If not, then the repression, arrests and killings would have occurred in secret. The world would never have known just what was at stake, nor the breadth of the pro-democracy movement that defied Peking last spring.

She said another true meaning of the forty days of protest last year was that mainland Chinese finally learned what it means to express liberty, dignity and human rights, things which most Chinese have forgotten in four-decades of Communist rule.

Chai noted that she was once declared a model student, one of two hundred recognized by the Young Communist League. "Now, how is it that I am on the twenty most wanted list," she mused. "How did I become a wanted criminal?"

Chai's public rendering of the Tienanmen massacre, its aftermath and the current state of the pro-democracy movement both at home and abroad gives new impetus to the pressures building against Peking. As one who spent ten months on the underground throughout mainland China, Chai is an excellent source of information about the seething undercurrent of dissent and anger prevalent on the mainland.

Based on her experiences, she believes the Communist regime in Peking will be shortlived. She summed up the isolation of the Communist regime by giving a warning to hardline Communist Premier Li Peng that "even his own relatives will not come to his rescue when it is time for the regime to fall."

Further Reaction to 'Goddess of Democracy' Vessel

Port Call Possible

OW2004174990 Taipei CNA in English 1543 GMT
20 Apr 90

[Text] Taipei, April 20 (CNA)—A ranking communications official said Friday that, barring political complications, the radio ship "Goddess of Democracy" may be allowed to anchor at Keelung Port in northern Taiwan if it submits needed documents.

Director Chu Yung-chuan of the Communications Ministry's Aviation and Navigation Department stressed that his ministry could authorize a port call for the mainland Chinese dissident ship if it applied according to ROC [Republic of China] regulations.

Chu made the remarks one day after Peking warned that it strongly opposed the support of the radio ship by any "state, region, organization or individual."

The ship plans to beam dissident radio and TV programs to communist China from the East China Sea after taking on supplies in Keelung.

Chu said his department had not received any application from the Goddess of Democracy, nor had he been told by "superior authorities" not to allow the ship to dock at Keelung.

Military Protection Considered

HK2104044090 Hong Kong MING PAO in Chinese
21 Apr 90 p 2

["Special report:" "Taiwan Will Allow Ship Goddess of Democracy To Use Facilities at Keelung and Will Probably Protect It With Military Airplanes and Warships"]

[Text] Taipei—Despite a statement made by the Chinese Ministry of Foreign Affairs the day before yesterday that China is opposed to any country, region, organization, and individual providing assistance or convenience for

the ship Goddess of Democracy, Taiwan Communications Minister Chang Chien-pang yesterday confirmed that Taiwan will allow the ship to port at Keelung for refueling.

The Taiwan Government is making an appraisal of the influence on the military security in the Taiwan Strait caused by the arrival of the radio ship. The Taiwan authorities are initially of the opinion that for defense reasons Taiwan may dispatch airplanes and warships for "appropriate handling," should a Chinese mainland airplane or warship intrude into the cordon of the Taiwan Strait when chasing the radio ship.

Reports say that the Taiwan Government will take a noninvolvement position toward the ship Goddess of Democracy; instead it will let civilian groups make arrangements for the ship's arrival, to weaken the political sensitivity of this event to a minimum.

The arrival of the radio ship Goddess of Democracy is a civilian activity conducted by a civilian organization, Chang Chien-pang said, adding that Taiwan will, according to normal defense practice and out of consideration for humanitarianism, allow the ship to port for refueling.

Because the ship Goddess of Democracy will use Taiwan as a base for sailing toward international waters to beam broadcasts to the Chinese mainland, Chang Chien-pang pointed out that Taiwan will pay attention to the ship's safety during its voyage in the Taiwan sea area; the Taiwan Defense Ministry will no longer take charge when the ship arrives in international waters.

According to some reports, the Great Alliance for Reunification of China on the Three People's Principles will, in the capacity of a civilian organization, provide full support for the ship Goddess of Democracy when it arrives in China's sea area.

According to a disclosure by the relevant department, out of their position on supporting the prodemocracy movement, the Taiwan Government and the Kuomintang are very concerned about the activity of the ship Goddess of Democracy. But because this event has aroused strong reactions in Beijing, the Taiwan Government and the Kuomintang, considering Taiwan's maritime safety, have no alternative but to take a cautious or even evasive attitude toward the ship's activity.

The Taiwan Air Force defense line spreads mainly along the mainland coast. It has always been the case that when mainland military planes fly over this line, Taiwan military planes will take precautions. In case Beijing resorts to large-scale arms against the ship Goddess of Democracy, the Taiwan military will respond out of consideration for Taiwan's maritime stability. But this is not aimed at creating tension in the Taiwan sea area.

The originally simple activity of the ship Goddess of Democracy has now constituted a bomb that may explode at any time as a result of an armed threat by the CPC.

According to an appraisal by the Taiwan relevant department, it is hard to judge whether Beijing will take advantage of this opportunity to start provocations in the Taiwan Strait, which is tending toward stability.

On the other hand, to prevent being attacked, the ship Goddess of Democracy will form 24-hour contacts with a satellite so as to ensure its smooth broadcasting.

A responsible person from the Front for Democratic China has arrived in Taipei. He said: "For the sake of our safety, there are 24-hour contacts between the ship and the satellite. So whatever happens to the ship can be seen from around the world via the satellite."

To Receive 'Needed Supplies'

OW2104182290 Taipei CNA in English 1615 GMT
21 Apr 90

[Text] Taipei, 21 April (CNA)—The "Goddess of Democracy" radio ship has become a world focal point and any Communist Chinese action against it would arouse global indignation and be condemned by the whole international community, government spokesman Shaw Yu-ming said Saturday [21 April].

"We don't like to see such a development," Shaw stressed in response to a press inquiry following the Peking announcement that it would "not tolerate" support for the 2,000-ton radio ship.

Shaw pointed out that the Republic of China Government is concerned about the safety of the "Goddess of Democracy," which plans to drop anchor in international waters off the Chinese mainland in late April or early May to beam a series of dissident radio and television programs to mainland Chinese audiences.

Shaw said that concerned government agencies are closely watching the movement of the "Goddess of Democracy" and will give it needed supplies in accordance with existing regulations when the ship makes port call in Taiwan.

Meanwhile, a consensus was reached among ranking government officials that there would be no official assistance for the "Goddess of Democracy." They said that the government, however, would not oppose the private sector giving moral and material support to the ship with the condition that such support should be given in a manner not to cause tension in the relations between the two sides of the Taiwan Strait.

Official Denies Protection Report

HK2204061290 Hong Kong MING PAO in Chinese
22 Apr 90 p 26

[Report: "Taiwan High-Ranking Official Categorically Denies Report on Escort for the Ship 'Goddess of Democracy'"]

[Excerpt] According to reports from Taipei, a high-ranking official of the Taiwan Government with military background yesterday noted that a report that the Taiwan Navy and Air Force will escort the "Goddess of Democracy" is extremely absurd and irresponsible [ji wei huang miu ji bu fu ze ren 2817 3634 5435 6208 0644 0008 6298 6307 0117].

The official said: In handling the issue concerning the "Goddess of Democracy" radio ship, the Taiwan Government must try not to upset the relaxing situation between the two shores of the Taiwan Strait and must make sure that the mainland will not enforce any blockade which will cut sea transport and free access of ships to Taiwan. This latter consideration is of special significance.

He emphasized that Taiwan treats this radio ship as an ordinary private ship. Within Taiwan's territorial waters, the ship is entitled to the same treatment as that for any other legal international civil ship, and the Taiwan military will not conduct any special escort operation for it.

However, the official said, the Taiwan military would react otherwise if any Communist Chinese military airplanes and warships intruded into Taiwan's territorial waters.

This official of military background said: Since the mainland authorities declared that they would not rule out the possibility of using force against the "Goddess of Democracy," some Taiwan officials have advised that Taiwan make careful consideration before allowing the ship to call at Keelung Port for supplies, lest the ship be attacked or held by Communist China, thus triggering off any senseless clash between the two shores of the Taiwan Strait. But some party and government officials in Taiwan have suggested that contact with those on board the radio ship be encouraged, the ship should be kept off shore in high seas, and any supplies to it should be carried by ships hired by non-governmental organizations in Taiwan.

The official concerned said the above suggestion is proper in light of the need to avoid possible clashes. But it may give rise to some aftereffects. Suppose Communist China intended to resolve the Taiwan issue by non-peaceful means, then the blockade of Taiwan's territorial sea and air would be one of the means they would most likely employ. Now if Taiwan denied admission to the "Goddess of Democracy" simply because of the Chinese Communists' threat, that would, in a certain

sense, imply that Taiwan calculated that its territorial waters had already been blocked by Communist China. Such an inappropriate implication may have a complicated influence on the future development of the situation.

Giving consideration to both Taiwan-mainland relations and the legitimate right of free navigation, the official concerned said the Taiwan government, though allowing the "Goddess of Democracy" to make a port call for supplies, will do its best to restrain itself from overstimulating the Chinese Communists. So the ship will not likely deliver any broadcasts to the mainland from Taiwan's territorial waters. [passage omitted]

United States Urged To Help Promote Free Trade

OW2304051790 Taipei CNA in English 0238 GMT
23 Apr 90

[Text] Taipei, April 23 (CNA)—The United States should play a new role and help Asian countries enter the world of free trade by cooperating instead of retaliation, a ranking Republic of China [ROC] official urged Saturday [21 April].

Speaking to the opening of a conference on "America's influence and role in Asia in the 1990s", Fredrick Chien, chairman of the Council for Economic Planning and Development, recognized the many contributions made by the U.S. to Asian countries in past years.

He added, however, that Washington had been extremely unfriendly in recent years in its attempt to resolve its trade imbalances with Asian countries.

In fact, Asian countries have done their best to narrow their trade gaps with the U.S. by, for example, opening markets and appreciating their currencies, Chien claimed. As a result, U.S. trade deficits with these countries had declined to lower levels, he added.

Nevertheless, the U.S., eager to further reduce its huge deficits, had resorted to such protectionist measures as targeting countries for retaliation by listing them on its "Super 301" or "Special 301" lists, the ROC's top economic policy designer complained.

After the European Economic Community countries integrate into a single free market in 1992, Asian countries might also seek to form a similar free trade zone, Chien predicted.

The U.S. should play an active role in promoting the organization of such a free trade zone which could be expected to accelerate the pace of trade liberalization in other parts of the world, he added.

With such a zone, the U.S. would be able to cooperate with the region as a whole in seeking to balance trade and would no longer need to negotiate with Asian countries one by one or to adopt retaliation measures, Chien said.

Hong Kong

UK Parliament Passes Nationality Bill 19 Apr

Governor Wilson Cited on Vote

HK2104003290 Hong Kong SOUTH CHINA
MORNING POST in English 21 Apr 90 p 7

[By Simon Macklin and Caitlin Wong]

[Excerpt] The real message delivered by Parliament's vote in favour of the nationality package was that people in the United Kingdom were seriously concerned about the people of Hong Kong, the Governor, Sir David Wilson, said yesterday.

Sir David said he had been pleased to hear the second reading of the bill had been passed with such a large majority.

"I'd say it's encouraging to all people, not simply to those who feel they are going to benefit, but to other people as well, because it does show a real interest in the UK in Hong Kong," he said.

"I was personally delighted to see it myself."

But Sir David warned there was a lot of work still to be done before the bill could be implemented and the passports issued to the 50,000 selected households in Hong Kong.

"It now goes to the committee stage where the details of the bill are to be discussed, and I'm sure there will be a lot of talk on that," he said.

The second reading of the British Nationality (Hong Kong) Bill was passed in Parliament by a majority of 97 votes on Thursday [19 April] night despite concern that Tory rebels could sink the package.

A spokesman for the Hong Kong Government said it was encouraging to see the bill clearing its first parliamentary hurdle.

"It shows there is recognition in Parliament of the serious emigration problem faced by Hong Kong and that the proposed nationality package should help alleviate this problem," the spokesman said.

"We will watch developments very closely and continue to explain that the package will promote the stability and prosperity of Hong Kong as well as benefit the whole community by anchoring key people here," the spokesman said.

Executive and Legislative Councillors said they were encouraged by the ballot results and pledged to keep up with their lobbying efforts to ensure that the bill would be enacted.

"We hope the bill's remaining stages will be completed before the summer recess as scheduled to enable the

scheme to have maximum effect in contributing towards reducing the brain drain," they said in a joint statement.

But some councillors cautioned people against becoming complacent that the bill would be enacted in the form in which it now existed. [passage omitted]

Editorial Praises Passage of Bill

HK2104003090 Hong Kong SOUTH CHINA
MORNING POST
in English 21 Apr 90 p 14

[Editorial: "Correct Result Emerges From Welter of Words"]

[Text] Ignorance and prejudice were much in evidence during the House of Commons debate on the nationality package for Hong Kong, but at the end the right result was produced. A handsome majority for the second reading of the Bill, offering 50,000 British passports to heads of household in the territory, will allay some of the suspicions that self-interest and racism would dilute the Government's attempt to offer an emergency lifeline in case the worst came to the worst in Hong Kong after 1997.

The much-touted revolt led by former Cabinet minister Mr Norman Tebbit faltered, though not before some of the most unedifying nonsense about preserving the racial purity of England—apparently Scotland, Wales and Northern Ireland do not matter—was spouted by members of the House of Commons who did nothing to add to the image of the "Mother of Parliaments."

Six hours of talking about a place not many of the 529 voting Members of Parliament have ever visited was bound to lead to some terminological inexactitude and downright rubbish, but sense prevailed when the vote was taken. Putting aside the despicable opposition of the Labour Party, which failed yet again to produce an answer on its policy towards Hong Kong, the size of the rebellion among Conservative backbenchers was put into proper perspective. Mr Tebbit, whose knockabout style contributed to one of the most entertaining speeches of the debate, was left to bemoan the failure of Labour to marshal its own forces to resist the Bill.

For all its idiocies and inaccuracies, the debate was valuable in that it aired some of the faults in the Bill which need ironing out in the Committee stage of the Parliamentary process. The lack of provision for ethnic minorities, and for the Hong Kong-born spouses of British nationals, should be matters for consideration in the next few months. The Bill is far from perfect, not just in the low numbers included, but also in some of its provisions, and pressure should be applied to rectify faults of commission and omission.

The chief task requiring attention during the passage of the Bill is explaining to Hong Kong people how it would work: a points system for qualification for a British passport needs to be clearly defined, not least for the sake of the Governor, whose discretionary power was the

subject of some misplaced controversy during the debate. At present the legislation is framed to offer the Government some discreet flexibility in dealing with special cases, which is preferable to the Labour Party's clumsy declaration that, if it took power, it would consider providing passports for local dissidents.

Labour's total failure to understand the issue is also reflected in the constant reference of its members to introducing a faster pace of democratic reform in the territory, even though China has expressly set a timetable for that in the Basic Law, which it will not alter. Accelerating the pace of democracy would not be a viable substitute for offering passports, especially in the eyes of the Beijing authorities. 50,000 passports for heads of household is an inadequate number and falls well short of expectations. If war widows are to be included at last as eligible for passports, that is very welcome, but other categories should be examined as a way of expanding the Bill's scope.

The British Government will be departing from tradition by creating a points vetting system, and by endowing the Governor with the discretionary power of recommending people for citizenship. The Labour foreign affairs spokesman, Mr Gerald Kaufman, was exaggerating, but not by much, when he called the points system "arbitrary." The system, in which preference will be given to those aged between 30 to 40, is discriminatory and could devalue the impact of a Bill already decried as "divisive."

The special treatment for Hong Kong may anger Britons of Asian and African descent, who claim that they have received no such sympathy from the Home Office in their quest to bring their families from overseas into the United Kingdom. But the Foreign Secretary was right in pointing out that Britain had a special commitment to Hong Kong, a British dependent territory, compared to other parts of its former empire which are now independent sovereign states.

With the threat of the Conservative revolt largely dispelled, the main worry will now centre on the hostile attitude of the Chinese authorities, who wasted no time yesterday in issuing a fresh statement condemning the nationality proposals as a plot to retain British control after 1997. That issue will undoubtedly form part of the discussions at next week's Joint Liaison Group talks in Beijing, which are expected to be anything but cordial. The benefit to the territory of seeing the nationality package approved will be nullified if another war of words ensues between the two parties, which would do nothing to rebuild confidence in the future.

XINHUA Criticizes Bill

*OW2004113090 Beijing XINHUA in English
1117 GMT 20 Apr 90*

[Text] Hong Kong, April 20 (XINHUA)—A spokesman for the Hong Kong branch of XINHUA NEWS AGENCY today once again reiterated China's firm

stand on Britain's unilateral decision to grant right of abode to Hong Kong residents.

His statement came in response to the passage of "The British Nationality (Hong Kong) Act 1990" through its second reading early this morning in the House of Commons. This bill submitted to the Parliament by the British Government provides for the granting of British passports to 50,000 Hong Kong households.

The XINHUA spokesman made the following statement today on the British parliamentary proceeding.

"The Chinese Government has time and again made clear its solemn stand against the unilateral decision of Britain to change the nationality of some of the Hong Kong Chinese citizens.

"The Chinese memorandum on the Sino-British Joint Declaration states that under the Nationality Law of the People's Republic of China, all Hong Kong Chinese compatriots, whether they are holders of the 'British Dependent Territory Citizen Passports' or not, are Chinese nationals.

"The nationality status of the Hong Kong Chinese compatriots can only be determined in accordance with China's Nationality Law. This is a matter within the scope of China's sovereignty. 'The British Nationality (Hong Kong) Act 1990' worked out by the British Government unilaterally without consultation with the Chinese side goes against its own solemn commitment in its memorandum. It in fact is attempted to turn the 'Hong Kong people governing Hong Kong' stipulated by the Sino-British Joint Declaration into 'British governing Hong Kong'. It will only stir up divisions among Hong Kong people and speed up the 'brain drain'.

"Disregarding the just demand and repeated advice of the Chinese side, the British Government has intransigently submitted 'The British Nationality (Hong Kong) Act 1990' to the Parliament. We express here our deep regret over it. The Chinese side absolutely will not accept the erroneous practice by the British side unilaterally to change the nationality of some Hong Kong Chinese citizens, and we reserve the right to take corresponding measures."

PRC 'Will Not Ignore' Passage

*OW2104095190 Beijing XINHUA in English
0940 GMT 21 Apr 90*

["Foreign Ministry Spokesman on British Nationality (HK) Act"—XINHUA headline]

[Text] Beijing, April 21 (XINHUA)—A Chinese Foreign Ministry spokesman said here today that China will not ignore the passing on second reading of the British Nationality (Hong Kong) Act 1990 by the British House of Commons.

The spokesman said that the Chinese Government has repeatedly expounded its solemn stand on the question

concerning the unilateral decision of the British Government to change the nationality of some of the Hong Kong Chinese citizens.

"Therefore, we will certainly not ignore the move mentioned above," the spokesman said.

Editorial Considers Status of Dissident Ship

HK2304024990 Hong Kong SOUTH CHINA
MORNING POST in English 23 Apr 90 p 12

[Editorial: "Democracy Ship Poses Embarrassing Problem"]

[Text] Before the end of the month, the Goddess of Democracy is expected to dock in Singapore to take on supplies and sophisticated radio equipment, and then continue its voyage across the South China Sea, ready to broadcast messages from dissident leaders to the Chinese mainland. If that scenario unfolds, the reaction of President Lee Kwan Yew will be watched with great interest by governments around the region, especially in Beijing. Since plans were announced by the Paris-based Federation for Democracy in China to fund its voyage, with help from some 18 newspapers and magazines in Taiwan, Hong Kong and Singapore, the Goddess of Democracy has always looked like being an unwelcome visitor in most Asian ports. Only Taipei has expressed any willingness to provide facilities for the ship, with other countries anxious not to cause offence to China, which regards the mission of the boat as a grave provocation. Singapore, which maintains relations with Beijing through a trade office, could be facing an embarrassing problem.

The depth of China's displeasure was revealed last week in stern warnings from Beijing which did not exclude the use of military action to prevent the ship broadcasting its messages and music. Fears for the safety of the 10 French crew and its pro-democracy passengers are justified, given the route the ship is expected to take towards Taiwan. Along its course are the Spratly Islands, claimed by various countries, most notably by China and Vietnam, who have engaged in naval skirmishes over territorial rights in the area in recent years. Although Beijing recognises 12-mile international limits, its "One China" approach to geography means that large areas of water could be perilous for the Goddess of Democracy—it is quite conceivable that Chinese warships would seek to arrest the ship, at least.

When matters of security are involved, governments are sometimes driven into desperate situations, as the French Government well knows. Its secret service was not concerned about niceties like international relations or national boundaries when they exploded a bomb under the Greenpeace vessel, the Rainbow Warrior, as it lay in Auckland harbour in 1985. A protest has already been made to the Secretary-General of the United Nations, Mr Javier Perez de Cuellar, by the backers of the Goddess of Democracy over the threatening comments from Beijing, in the hope that international publicity may provide some protection for the ship. Likewise, there is talk of satellite links with it to establish its position during its progress towards Taiwan. These should be seen as scant protection against a regime which was prepared to roll the tanks in Beijing last June in full view of a large media corps from around the world. Maintaining its hold on power remains the priority of the Chinese leadership, which has shown in the last year that it will stop at nothing to crush resistance.

The Chinese authorities will be disturbed as much by the symbolism of the ship as by what it can do in reaching listeners on the mainland. The vessel signifies that the student protest movement that flowered so briefly in Tiananmen Square last spring is not extinct, and that in the West at least, and France in particular, support for the cause is strong. To this day Beijing continues to blame Western influence, especially political ideas, for the democracy movement. The speed with which the authorities clamped firm control on the channels of information—by tightly monitoring facsimile and telex machines, purging dissident sympathisers from their domestic media, and expelling certain foreign correspondents—after suppressing the demonstrations last summer was proof of the importance they attached to shutting out news and ideas from abroad.

The very presence of the ship within broadcast range of the mainland will be an unwelcome reminder to Beijing of just how difficult that task is in age of mass communications. The sudden collapse of communist regimes in Eastern Europe last year would not have been possible without the rapid dissemination of news about developments in neighbouring countries. With the anniversary of June 4 certain to be a most sensitive time for the Chinese leadership, the arrival of the Goddess of Democracy within broadcasting range would represent a challenge it could not afford to ignore.

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24 April 1990

